Austria ... Sch. 18	Indonesia ... Rp 2500	Portugal ... Esc 75
Bahrain ... Din 0.650	Italy ... L 1100	S. Arabia ... Rls 6.00
Belgium ... BFr 38	Japan ... Y560	Singapore ... S$ 4.10
Canada ... C$1.00	Jordan ... Fils 500	Spain ... Pts 100
Cyprus ... Mils 600	Korea ... Won 1000	Sri Lanka ... Rup 30
Denmark ... DKr 7.25	Lebanon ... LL 8.00	Sweden ... SKr 6.50
Egypt ... LE1.00	Luxembourg ... LFr 38	Switzerland ... SFr 2.00
Finland ... Fmk 5.50	Malaysia ... Rm 4.25	Taiwan ... NT $65
France ... Fr 6.00	Mexico ... Pes. 300	Tunisia ... Din 0.600
Germany ... DM 2.20	Morocco ... Dh 6.00	Turkey ... L 180
Greece ... Dr 65	Netherlands ... Fl 2.50	U.A.E. ... Dh 6.50
Hong Kong ... HK$ 12	Norway ... NKr 8.00	U.S.A. ... $1.50
India ... Rup. 15	Philippines ... Pes. 20	

FINANCIAL TIMES

EUROPE'S BUSINESS NEWSPAPER

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Divided, the French Left still stands, Page 16

NEWS SUMMARY

GENERAL

Rumasa chief held in Frankfurt

Spain is to seek the extradition of fugitive businessman Sr Jose Maria Ruiz-Mateos, detained at Frankfurt airport yesterday by West German authorities.

His arrest on arrival from the U.S. came more than a year after the Madrid Government expropriated his Rumasa businesses, saying it was the only way to avert a financial collapse.

He had been in Britain since then – there is no extradition agreement between Madrid and London – but left after being told he could stay only a few more days. He has been charged with currency offences, forgery, appropriation of tax funds, social security fraud and insulting the king. Page 20

Forty die in riots

At least 40 people have died in three days of rioting against government austerity measures in the Dominican Republic. Page 6

Mondale under attack

Democratic presidential contender, Walter Mondale is facing claims from his opponents that his fund-raising methods are unethical and possibly illegal. Page 6

Computer probe

The British Government ordered an inquiry into reports that two U.S. officials at the UK Defence Ministry passed information on British computer leasing companies to U.S. authorities. Page 18

Iran 'will attack'

Iran is ready for a Gulf War offensive to cut off southern Iraq from the rest of the country, but is waiting for the results of Iranian elections, Iraq claimed. U.S. accused, Page 4

Diplomatic bag move

Western embassies in Nigeria have stopped bringing diplomatic bags into the country after being told that the bags – normally untouchable – would be searched while the currency is being changed. Nigerian rush, Page 4

Nuclear spy claim

Dutch Interior Minister Koos Rietkirk will report next week on a man's claim that he infiltrated the Dutch anti-nuclear movement for the U.S. National Security Agency.

Dissidents charged

Yugoslav authorities began criminal proceedings against two dissidents, Dragomir Olujic and Miodrag Milic. They face 10 years' jail for hostile propaganda.

Wine growers held

Police in Carcassonne, southwest France, arrested five local wine-growers for burning down a hypermarket which sold imported wines.

Immunity proposals

The British Government plans to propose changes in the rules governing diplomatic immunity, at a meeting of international legal experts this month. Page 8

Kennedy death

David Kennedy, son of the late U.S. senator Robert Kennedy, has been found dead in a Palm Beach motel. The cause of death is not known but there were no signs of foul play.

Briefly...

Portugal celebrated the 10th anniversary of the coup that restored democracy.

West German Chancellor Kohl is to visit Britain on May 2.

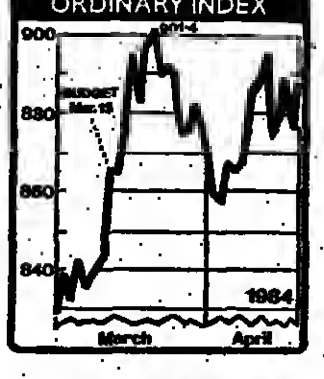
BUSINESS

Du Pont boosts profits by 84%

DU PONT, biggest U.S. chemical company, increased first-quarter net earnings by 84 per cent to $373m. Its rival Monsanto reported earnings for the first quarter up 73 per cent to $175m. Page 19

MATSUSHITA Electric of Japan, world's biggest consumer electric and electronics manufacturer, lifted group net profit by 49 per cent to Y51.95bn ($230m) in the first quarter. Page 22

INDIAN Aluminium reported losses of Rs 80.2m ($5.58m) for 1983 – its first loss in 30 years – against a Rs 83.1m profit. Page 22



LONDON: FT Industrial Ordinary index rose 11.4 to 887.6. Report, Page 38; FT share information service, Pages 40-41

WALL STREET: Dow Jones index was down 0.53 at 1,162.37 at 3.30 pm. Report, Page 35; Full share listings, Pages 36-38

TOKYO: Nikkei Dow index was 194.52 higher at 10,860.34. The Stock Exchange index added 4.82 at 850.20. Report, Page 35; Leading prices, other exchanges, Page 38

DOLLAR in London was unchanged at DM 2.6795, lower at FFr 8.2275 (FFr 8.239), and higher at SwFr 2.217 (SwFr 2.2165) and Y225.65 (Y225.45). Its trade weighting was unchanged at 128.6. Page 49

STERLING rose 25 points in London to $1.4115 and firmed to DM 3.785 (DM 3.7775), FFr 11.61 (FFr 11.6075), SwFr 3.1325 (SwFr 3.125) and Y318.75 (Y316). Its trade weighting held at 79.9. Page 49

GOLD fell $1 to $382.75 in London, to $382.25 in Frankfurt and to $382.5 in Zurich. Page 48

MALAYSIA is raising $500m through a 10-year Eurocredit to be led by Chase Manhattan, Industrial Bank of Japan and Malayan Banking. Page 20

HUNGARY: small companies will be allowed to elect managers and board members under changes in management rules. Page 2

POLAND: representatives of 500 Western banks arrived for talks on rescheduling $1.2bn in capital payments falling due in 1984-87. Page 2

PROCTER & GAMBLE, the U.S. household goods giant which faces tough competition in many of its markets, has increased third quarter net income by just under 1 per cent to $220m.

IRISH medium-term economic plan recommends sharp public spending cuts and holding wages down. Page 3

BOOTS of Britain and Galenika of Yugoslavia opened a joint venture pharmaceutical company in Belgrade. Page 7

The editorial content of today's international edition has been restricted because of industrial action by IG Druck und Papier at Frankfurter Societäts-Druckerei, where the edition is printed. This prevents the publication of late-breaking news, the final Wall Street report and closing U.S. share prices.

IBM faces EEC fines for guarding product secrecy

BY PAUL CHEESERIGHT IN BRUSSELS AND GUY DE JONQUIERES IN LONDON

THE EUROPEAN COMMISSION has rejected proposals by IBM of the U.S., the world's largest computer manufacturer, for a negotiated settlement of the three-year-old EEC competition case against the company.

The Commission's competition authorities are now laying the groundwork for a formal decision this summer that IBM has abused a dominant market position by withholding from its competitors technical information about its medium and large computers.

Commission lawyers are working on a judgment which would require IBM to publish technical details about the "interfaces" of its new products no later than one month after they are first announced, instead of when they are first shipped to customers. The company may also face heavy fines.

The proposed judgment, under Article 86 of the Rome Treaty, must be submitted to a committee of the 10 EEC member states, which has a purely consultative role. It will then be presented to the full 14-member Commission, which is expected to take a final decision before the end of July.

IBM said yesterday that the Commission had confirmed that it was preparing a decision. However, the company would not confirm that its settlement proposals, submitted last autumn, had been rejected and said that talks on a settlement were continuing.

A judgment against IBM would be a severe blow to the company, which has consistently protested its innocence and lobbied hard in European capitals to have the competition case dropped. It would almost certainly appeal against an adverse judgment in the European Court.

The issue could also exacerbate further U.S.-EEC trade relations, which have already been strained by European complaints about U.S. controls on high-technology exports. The U.S. Justice Department, which dropped its own competition case against IBM two years ago, has since urged the Commission to follow its lead.

The British Government is to investigate reports that two U.S. officials working in the UK Defence Ministry are providing information about the activities of British computer leasing companies to U.S. authorities. Page 18

The Commission contends that IBM has inhibited competition by delaying publication of "interface" information which rival manufacturers need to make equipment which can either replace or be plugged in to IBM products.

Though the Commission's case extends only to IBM's operations in the EEC, the company is worried that it could affect its business worldwide. It believes that early disclosure of information in Europe would help Japanese manufacturers such as Fujitsu and Hitachi, which it considers its toughest competitors in the large computer market.

A Commission decision against IBM could also open the way to private legal actions and damages claims by its competitors, particularly those which make equipment designed specifically to be used with IBM systems.

● In a separate decision, the Commission yesterday granted IBM's request that the European distribution system for its personal computer be exempted from EEC competition rules. The exemption covers the criteria used by IBM to select dealers to sell the machines.

Continued on Page 18

IG Metall picks two key areas for strike ballots

BY RUPERT CORNWELL IN BONN

IG METALL, the West German engineering union, has chosen the flourishing industrial areas around Stuttgart and Frankfurt as the launch pad for the next stage of its battle for a 35-hour working week.

The union's national executive decided yesterday at a six-hour meeting in Frankfurt to hold strike ballots in the two areas between May 3 and 9 – evidently calculating that they offer the best prospect of winning the 75 per cent approval required for all-out strikes to be called.

Not only do the selected areas contain some of the country's most thriving engineering concerns (Daimler Benz, for example, is based at Stuttgart), but they are also in Baden-Württemberg and Hessen, the two states where unemployment is lowest in West Germany.

The fear of creating still more unemployment on top of the country's present 10 per cent jobless rate has been one of the main reasons why the demand of IG Metall for a shorter working week has gained only lukewarm backing on the shopfloor.

Yesterday's move, above all because of the time it took to decide, bears every sign of having been forced upon a wavering leadership by the absolute refusal of the employers to make any concession in the direction of the union's campaign.

For several weeks, thinly concealed messages have been coming from IG Metall that it would be happy to settle for a face-saving compromise. But two rounds of top level talks between the two sides have foundered on the insistence of engineering employers on maintaining the basic 40-hour week.

Despite bold public talks by IG Metall that it has a strike coffer sufficient to sustain a protracted stoppage, such an outcome is still not inevitable.

But the prospect of the worst industrial disruption in West Germany since the steel industry strike of 1978 is already affecting the country's financial markets. The dollar climbed back over DM 2.68 yesterday, while the D-Mark continued to weaken against other major European currencies.

This is despite an inflation rate of only 3 per cent and forecasts that – strikes permitting – growth will reach 3 per cent in 1984.

Porsche share offer well oversubscribed

BY JOHN DAVIES IN FRANKFURT

SHARES in Porsche, the West German sports car maker, were heavily oversubscribed when they were offered for sale yesterday. The offer, which was due to have remained open for three days, was closed after about three hours.

The consortium of three banks organising the launch had limited the placement to no more than 100 shares for individual investors and 1,000 for institutions. But Deutsche Bank, one of the consortium, said each buyer would receive "far, far less" than this.

The non-voting preference shares – amounting to a third of Porsche's entire capital – were offered at DM 780 ($291) a share. But in unofficial inter-bank dealings they have already been priced at well over DM 1,100.

Official stock exchange trading is due to start on May 4.

The share launch will raise DM 327.6m. As a result of a capital increase coinciding with the launch, the existing shareholders – members of the related Porsche and Piech families – will pay DM 93m to the company.

This will leave them with the remaining DM 234.6m in cash.

The family shareholders are Dr Ferry Porsche, son of the company founder; his four sons (and the separated wife of one of them); his sister, Frau Louise Piech; and three of her four children.

The family members recently bought out the stake of Herr Ernst Piech, one of Frau Piech's sons.

The stock market launch was triggered off by a plan – since abandoned – by his sister, Frau Louise Ahorner, to sell her stake to interests headed by Al-Mal International, the London merchant bank, for nearly DM 100m.

The launch was devised as a means of giving the family members more flexibility in realising their assets, and providing the company with funds for future expansion.

UK banks hit by extra tax

By David Lascelles in London

THE BRITISH Government's decision to phase out capital allowances will cost Barclays Bank as much as £550m ($775m) and Midland Bank about £230m in additional taxes, the banks told shareholders yesterday. This is almost what each of them earned pre-tax last year.

The money will have to come out of reserves and will hurt capital ratios, but both banks said their balance sheets could take the strain, dispelling fears that they might have to make rights issues. This was good news for the London Stock Exchange, where bank stocks recovered some of their recent sharp losses.

Sir Donald Barron, Midland's chairman, gave an assurance about the bank's dividend which could have been jeopardised by the tax problem and the huge losses at

Continued on Page 18

Lex, Page 18

Skandia to buy stake in London broker

By Barry Riley in London

SKANDIA, Scandinavia's largest insurance group and one of Europe's top ten, is to buy a 29.9 per cent stake in Quilter Goodison, the London stockbroking firm.

Sir Nicholas Goodison, chairman of the London Stock Exchange, is senior partner of Quilter Goodison, which is the latest UK securities firm to announce a link with a major outside institution. The value of the deal is not being disclosed.

According to a recent survey of institutional investors Quilter Goodison is about the 20th largest London broking firm with a market share of around 2 per cent, but the strength of its private client business – where it is in the top three in terms of funds managed – would suggest a higher overall ranking.

At present half its revenue comes from private clients. Its institutional business is split almost equally between dealing in UK and European equities. The link with Skandia has arisen from a long association with the Swedish group as an investment client.

Reform in policing the affairs of London's financial community was promised yesterday when the Council for the Securities Industry undertook to amend its organisation. Page 8

A sum described as "several million pounds" will be invested in a new international dealing subsidiary, wholly owned by Quilter Goodison, which will take advantage of the recent relaxations in London Stock Exchange rules governing trading in foreign securities.

Further sums will be invested in the development of Quilter's UK institutional equity business, and in expansion of the private client portfolio management operation which already looks after funds of more than £1bn ($1.4bn).

In Stockholm last night Mr Bjorn Wolrath, managing director of Skandia, described Quilter Goodison as "a natural partner." The investment formed part of the group's policy of broadening its operations. It already has participations in several stockbroking firms in Sweden.

There are no firm plans for any further increase in the investment in Quilter beyond the 29.9 per cent now committed.

But Mr Wolrath spoke of "possible closer links with other parts of the UK Skandia group," which includes Skandia Life, a reinsurance company.

Creusot seeks protection after aid refusal

BY DAVID HOUSEGO IN PARIS

CREUSOT-LOIRE, the major French engineering and special steels group, last night sought protection from its creditors under the bankruptcy laws.

The move followed the Government's rejection earlier yesterday of Creusot-Loire's most recent request for between FFr 2bn and FFr 3bn ($243m-$364m) in financial assistance.

Under French bankruptcy law, temporary protection from creditors' demands provides a three-month moratorium, during which a company can prepare restructuring proposals that include debt repayment over a three-year period. This is the French equivalent to the U.S. Chapter 11 procedure, from which Phoenix Steel, a Creusot-Loire U.S. steel-making subsidiary, is already benefiting. Creusot-Loire's difficulties were heightened last year by the need to make a FFr 400m provision for a possible closure of Phoenix Steel.

The Government's cold response to Creusot-Loire's requests reflects mounting impatience with the group's renewed demand for assistance, as well as the fact that the Government's own finances are already strained by the demands of the nationalised industries.

A total FFr 1.8bn of losses over the past two years, as well as the expectation of a further FFr 700m loss this year, have wiped out shareholders' funds and reserves.

The group is seeking help from the Government to consolidate existing loans, to divest itself of its remaining steel subsidiaries in France, to renegotiate its participation in Framatome (the nuclear reactor company in which it has a 50 per cent stake) and to guarantee it against losses caused by Phoenix Steel being forced to close.

The fresh appeal for help came last week, only six months after Creusot-Loire had received a cash injection of FFr 6bn, of which over FFr 2bn was provided by the state and banks at subsidised rates. The Government said yesterday that it had put up its share of the cash injection after a lengthy study of the group's affairs.

An official statement said simply that the Government would respect its existing commitments and expected Creusot-Loire, and its parent company, the Empain-Schneider group, to respect theirs.

Copenhagen unveils austerity package

BY OUR COPENHAGEN CORRESPONDENT

MR POUL SCHLÜTER, Denmark's Conservative Prime Minister, last night announced a package of spending cuts and austerity measures aimed at shoring up the economy and stabilising the country's fiscal recovery.

The measures, agreed between the centre-right coalition minority Government and the small but influential Radical-Liberal Party, its partner on economic policy, include cuts of DKr 1.5bn ($150m) in public spending in 1984, DKr 500m in extra taxation on cigarettes and beer and the continuation of a 4 per cent ceiling on annual wage increases.

The package, to be presented to parliament today, includes guidelines for Denmark's 1985 state budget which, for both this year and next, is to be frozen at expenditure of DKr 185bn. The 1985 spending cuts, at around DKr 4bn, are to be achieved by extending the present suspension of automatic inflation-linked pay increases, introduced in 1982, for the period 1985-87, and by reforming unemployment benefit schemes.

Mr Schlüter said that his Government expected that unemployment, currently running in Denmark at 10.7 per cent of the workforce, or 282,000 people, would be reduced by 35,000 this year as a result of the new measures.

He estimated that the Danish growth rate would remain at 3 per cent and he forecast that the state budget deficit would fall from DKr 54bn last year to less than DKr 50bn this year and to DKr 45bn by 1985. This means that the total budget deficit would decrease to around 4¾ per cent of GNP in 1985, compared with 8½ per cent in 1982, when the four-party, rightist-led Government came to power.

Mr Schlüter added that the measures envisaged would limit the increase in Denmark's balance of payments deficit. This is now projected to rise to DKr 12bn this year, as against DKr 10bn last year, before falling again in 1985.

CONTENTS

EUROPEAN NEWS

Show trial of Moussa ends by showing up the French Government

David Marsh meets the principal player in a highly emotive financial drama

AFTER SITTING impassively in a sweltering Paris courtroom before a panel of black-robed magistrates, M. Pierre Moussa reacted immediately at 5.15 on Tuesday afternoon, when, after three and three-quarter hours of complex legal judgments he heard that he had been acquitted of responsibility for exchange control infractions in the Paribas investment bank. He looked at his watch.

M Moussa has had far too much time on his hands during the last two and a half years, waiting for the *denouement* of one of France's most emotive post-war financial dramas.

The affair started with the Socialist Government's laying of charges against him in November 1981. This was just over a fortnight after M Moussa resigned from Paribas in disgrace in the midst of a full-scale political row over his successful clandestine, but perfectly legal, efforts to free part of the bank's foreign operations from the Governments nationalisation plans enacted in February 1982.

Now, after a marathon court case *involving M Moussa, three* other former Paribas executives and more than 50 private clients, the former chairman, who helped build up the now nationalised bank into a pillar of tha international banking establishment between 1969 and 1981, has emerged with his reputation unscathed.

Indeed, following his fight *against the Government, and the* prosecution's inability to find a scrap of evidence to associate him with impropriety, M Moussa's international standing has probably been enhanced.

He will certainly put this to good use in his plans to assemble a new international *investment* banking venture, built around a holding company in Luxembourg and backed by about $100m in capital from an array of powerful, world-wide shareholders.

The Government, on the other *hand, has come out* of the *affair* badly embarrassed on several counts. By rights, leading Ministers—from M Pierre Mauroy, the Prime Minister, downwards—who mounted a witch-hunt against M Moussa and Paribas *in autumn, 1981, should now* be thoroughly ashamed of themselves.

The court, *it is* true, handed down fines and sentences on former Paribas managers and clients. They were involved in *an illegal network smuggling* cash to Swiss bank accounts which was discovered after police and customs officers raided the *bank* in November 1980. This cash had been built up in the Paribas department which handled the investment of private clients' funds.

But, a far cry from the massive smuggling ring which, the *Finance Ministry extravagantly* claimed in November 1981, involved illegal transfers of FFr 18bn (£1.5bn), the total sums involved in the Paribas case amounted to around FFr 200m (£17.4m).

Rather than the web of international malefactors (possibly with high connections to the previous government) which *certain members of the Socialist* Administration had hoped to unravel, the prosecution's case rested on a circle of mostly aged and relatively unsophisticated clients who had salted away cash in Switzerland mainly out of fear.

M Moussa's lawyer, M Jean Loyrette, elegantly ripped apart the prosecution's case that M Moussa must have known about, and therefore should have halted, the irregularities.

By making a *political* show trial out of a case which, normally would have been settled out-of-court, the Government laid itself open to charges of judicial gerry-mandering.

M Laurent Fabius, now the Industry *Minister*, brought the charges against M Moussa in his previous capacity as Budget Minister at a time when the customs department was well on the way to settling the Paribas affair through the normal *manner of discreet* "transactions" with the bank and the clients who had already confessed their infractions.

The Paribas investment manager who was at the centre of the affair, M Leonce Boissonnat, committed suicide in December 1981. Ha felt he had broken faith with clients whom he had persuaded to *co-operate with customs agents* on the understanding that the case would not be brought before the courts.

An emotional highlight of the trial came when a letter from the dead man's brother, M Jean Boissonnat, a highly respected economic journalist, was read out in court lamenting the "inhumanity of settling scores between *great political* and financial machines" which had led indirectly to the suicide.

The most telling lesson for the Government, however, is that the Paribas affair represents a legacy from the hot-headed months following President Francois Mitterrand's election in May 1981 during which the Socialists too often acted without due regard for the consequences. Since then, the climate has changed considerably *as* economic "*realism*" has taken hold.

M Fabius, for instance, is now far too busy organising the restructuring and mass job losses in hard-hit industries like steel to bother with the ideological salvos which were *o la mode* in 1981.

The son of an Egyptian teacher and a midwife from Lyons, M Moussa has a scholarly background in literature as well as a career in tha French administration (he was once responsible for Concorde) and in finance. As befits a man with a varied history, he takes a *philosophical view of the* anti-Paribas campaign, blaming it on the Socialists' "lack of experience."

But he, as well as the Socialists, was guilty of rashness in the heady autumn of 1981 by opting for full-scale confrontation with the Government over the sale of the majority control in the Swiss and Belgian subsi*diaries of Paribas.*

For later events have shown that the row over the *manoeuverings was really* a storm in a teacup. Under the chairmanship of M Jean-Yves Haberer, the former French Treasury Director who was already being groomed to take over from M Moussa (although *not, of course, so early*), Paribas has shown impressive continuity.

Operating profits have actually doubled since nationalisation, with results even rising dramatically in the investment *management department, now* no doubt operating thoroughly legally. The bank has even entered into negotiations to buy back from foreign shareholders its lost majority stake in Paribas Suisse, the Geneva bank at the centre of the furore.

Another irony is that M Moussa himself, who is a long way from the stereotype of a right-wing capitalist mogul, was himself friendly in 1981 with a number of ministers and officials in *the newly-formed Socialist* Government. He has never been a member of any political party, and says now he "hates" the Left-Right polarisation of French politics.

M Pierre Moussa has emerged from his long ordeal with his reputation unscathed.

So why did the Paribas affair happen? In an interview with the Financial Times, M Moussa has for the first time set the record straight. "During June, July and August 1981, I tried to persuade leading figures in the Socialist party that they were *making a mistake*."

Apart from M Jacques Delors, the Finance Minister (who was bitterly upset when the foreign share sales were later revealed), other ministers contacted included M Gaston *Defferre*, at *Interior*, M Jean-Pierre Chevenement (Research), M Alain Savary (Education), M Claude Chaysson (Foreign), and M Charles Hernu (Defence).

"Substantially what I said was that it was a mistake anyway to go ahead with the banking nationalisation. But, if the Government wanted to control domestic credit, it would be absolutely childish to nationalise those parts of the banking system which owned participa*tions in companies, or which* extended credit outside France."

M Moussa says he was "sure" he had persuaded "all the leading figures who counted" that only Paribas's domestic banking activities should be nationalised.

"But it was my great mistake to believe that the system was the same as under the previous Government—that if I had persuaded the 15 people who counted, the matter was safe."

M Moussa admits that he had not paid attention to the party's grass-roots supporters, "the little Socialists."

"They were the ones who considered capitalism was horrible, banks more horrible and Paribas even more horrible than the rest. Their solution was that you just cut off the head of the beast—and this opinion triumphed."

After it became clear in the autumn of 1981 that his suggestions would not be heeded after all, M Moussa went ahead with the foreign share sales. He admits that he did not foresee the political storm which followed, although he says ingenuously: "I thought it might jeopardise relations with the government—I might not be made Commandeur de la Legion d'Honneur."

Then followed the showdown at the crucial Paribas board meeting in October 1981 at which other leading board members called for M Moussa's head. "I didn't want to make a speech defending my actions. I announced briefly I was resigning, I went away, and I didn't come back."

Now, he aims to be back with his planned Luxembourg investment banking venture, to be named after Pallas, the Greek goddess of wisdom, art, science and industry. The final irony would be if private sector Pallas—in some areas at least—ended up as competition for nationalised Paribas.

Political priorities 'threaten East Europe economies'

BY DAVID BUCHAN, EAST EUROPE CORRESPONDENT

PLANNERS IN Eastern Europe have mortgaged the future of their economies by cutting investment too much and consumption too little, because of the political priority they have placed *on preventing* Polish-style unrest.

This warning is spelt out in the latest report by Mr Jan Vanous, research director on East bloc economies at Wharton Econometrics. Last year's recovery *in Eastern Europe* is probably not sustainable, and "some East European countries are running the risk of settling to a low-growth plateau for a number of years, which has been the Soviet problem since 1979," *Mr Vanous* says.

This plateau would be in the 1.5-2.5 per cent range, well below the Soviet growth rate, because Eastern Europe lacks the Soviet Union's natural resource base.

The improvement in Eastern Europe's external finances is not in doubt. The six Soviet allies in the region turned a collective hard currency deficit on current account of $5.9bn in 1981 into a $3bn surplus in 1983, as Wharton, a U.S.-based economic consultancy, first pointed out last year.

Western bankers, who have resumed selective lending to Eastern Europe, may be given some pause, however, by Wharton's latest analysis of the internal nature of the region's 1981-83 retrenchment.

Eastern Europe in general is dooming *itself* "to *growing* relative technological backwardness and declining competitiveness on the world market, because political considerations do not permit further reduction in the level or the growth of living standards, and low growth rates of output necessitate even slower growth of net capital formation," Mr Vanous believes.

A partial exception seems to be Hungary, where the government of Mr Janos Kadar has had the political self-confidence, plus pressure from the International Monetary Fund, to restrain consumption, and where reform has improved the return on investment.

Relative to 1980, net investment by 1982 had fallen 32.4 per cent in Poland, 26.3 per cent in Romania, 24.4 per cent in Czechoslovakia, 22.6 per cent in East Germany, and 20.7 per cent in Hungary. In Bulgaria, with special help from the Soviet Union, it rose 11 per cent. *But Mr Vanous* believes that even these figures seriously overstate the rate of investment, for three reasons:

- They mask a rise in spending on military hardware everywhere, except in Hungary and Romania, and thus an even greater fall in civil expenditure.
- They are overstated because of an unrealistically low depreciation rate.
- They do not take into account inflation, which, even when it is officially admitted in Eastern Europe, is invariably understated.

Significant relief from this "*low investment—low growth*" impasse is unlikely to be forthcoming from external sources, Mr Vanous believes.

East European leaders will undoubtedly be seeking more Soviet help at the forthcoming Comecon summit *in June. But* Moscow is scarcely in a position to do much.

Hungary plans reforms in management

By Leslie Colitt in Berlin

SMALL HUNGARIAN companies are to be allowed to elect their managers and members of *the board* who will be subject to dismissal by workers. This and other changes in management emerged from last week's central committee meeting of the Hungarian Communist Party.

Medium sized and certain large companies are to operate under company councils which are to be the "strategic decision-making body." These will consist of representatives of workers and management and will also include the secretaries of the Communist Party organisation, trade union and the Communist Youth League.

Company staff will elect representatives to the council for a fixed term.

Most large companies, however, are to remain under the present form of management. General managers are appointed by ministries *for a set term* under a competitive system of selection. They are able to choose their own executive board.

The Hungarian party said the economic management system is to be streamlined from next year after the Government has put the necessary changes in the law to Parliament.

The moves are designed to increase management efficiency and to give employees a greater *sense of participation in* running the companies of which they are ostensibly part-owners.

The Hungarian party newspaper, Nepszabadsag, last week noted there was little correlation between the efficiency of *companies* and the wages they paid.

As long as there was no link between work performance, productivity and wages, said the newspaper, the labour force would not gravitate towards the *more efficient sector.*

Western bank team in Poland for debt talks

By Christopher Bobinski in Warsaw

REPRESENTATIVES OF some 500 Western banks arrived in Poland yesterday for talks with government and banking officials on rescheduling $1.2bn *worth of capital* payments falling due in 1984-1987.

Earlier this week, Trybuna *Ludu*, the Communist party newspaper, defended present rescheduling policies under which about 25 per cent of hard currency income is going to debt payments.

Many voices have been raised in recent months criticising that level as too high.

The newspaper argued, however, that Poland's debt is now officially put at $26.2bn.

Under debt *rescheduling* agreements in 1982 and 1983, Western banks agreed to lend back to Poland in the *form of three-year* credits, a substantial share of interest payments.

● A freely-elected workers council at Elana, an important saw, has voted to call off this week's seminar for workers' councils from some of Poland's largest *factories.*

The seminar on the country's economic reform would have provided the fledgling workers' council movement with an *independent forum for exchanging* views for the first time since martial law was imposed.

The reason given was lack of confirmations of attendance.

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Belgium's austerity measures come under twin attack

BY PAUL CHEESERIGHT IN BRUSSELS

BELGIUM'S centre-right coalition Government yesterday came under pressure from the two sides of the political spectrum.

Trade union leaders from the main Socialist and Christian groupings, working in uneasy alliance, sought to mitigate the effects of the Government's latest austerity package in talks with leading members of the coalition.

But Fabrimetal, the employers' grouping covering metal, mechanical, electrical and plastics processing industries, charged that the austerity programme did not go far enough, if BFr 250bn (£3.3bn) is to be cut from the 1983 public finance deficit of BFr 640bn over the next three years.

Tho latest phase of the Government's plan to redress the Belgian economy is a package which embraces wage restraint to maintain corporate competivity and cuts in public spending, including education and social security benefits.

Union opopsition to this has resulted in two attempts with mixed success to paralyse the country in one-day general strikes.

The Government yesterday maintained its refusal to change the austerity package along lines suggested by the unions, but agreed to rapid talks both with them and the employers on maintaing employment, price controls and industrial policy.

The tactics of the Government seemed to be to keep the unions talking in the hope of avoiding further industrial disruption, apparently in the belief that the longer the talks continue, the greater the chances that longstanding divisions between the main union groupings will re-emerge.

M Jacques de Staercke, the director general of Fabrimetal, yesterday told his members that on the basis of his organisation's analysis, tho existing government measures will only reduce the public sector deficit by BFr 130bn.

In its annual report, Fabrimetal warned that the return of wage indexation, inflation and high financial charges could risk the loss of the competitive gains which Belgian industry has achieved through the successful devaluation of 1982.

The anxiety of the employers to maintain their competiveness which they see as tho only way of creating the environment for more job opportunities, means that their talks with the union and the Government, next month, will be difficult.

But the Government is making it clear that in the absence of agreement on a joint employment and prices policy between the two sides, it will impose its own solntion.

Gilt-edged way to say au revoir

By Paul Betts in Paris

THE PRACTICE of giving chief executives of large companies "golden parachutes" when they leave or are forced out appears to have spread to French nationalised groups.

Le Canard Enchaine, France's leading satirical newspaper, disclosed yesterday that M Georges Pebereau, managing director of CGE, the nationalised electronics conglomerate, and chairman of the group's telecommunications subsidiary CIT-Alcatel, had been promised one if he has to leave tho latter.

It involves a life payment of FFr 400,000 (£34,780) a year, index-linked.

CGE has not denied the report but says the CIT-Alcatel board decision followed common French corporato practice.

M Peberean is among the most respected business managers in France and his group is regarded as a flagship of nationalised industry. Among other activities, CGE and CIT-Alcatel have been entrusted with the central role in the development of the French telecommunication industry.

M Pebereau has long been tipped as tho next chairman of CGE. But it would mean a drop in salary.

Swedish recovery exceeds all expectations

BY KEVIN DONE, NORDIC CORRESPONDENT IN STOCKHOLM

THE SWEDISH economy is recovering strongly and is outpacing the Government's most optimistic forecasts. Figures presented yesterday along with the revised budget for 1984-85 suggest that the economy could grow by 2.8 per cent this year, compared to 2.3 per cent in 1983.

Booming exports of goods and services are expected to help reduce tho deficit on the current account of the balance of payments to only SKr 1bn (£89m) this year compared with earlier government forecasts of SKr 5bn. It is not ruled out that the deficit could be eliminated, a buge improvement on tho record SKr 22.5bn (£2.02bn) in 1982.

Helped by the 16 per cent devaluation of the krona in October 1982, which gave a big boost to industry's international competitiveness, the curreot account deficit has tumbled from the equivaient of 3.6 per cent of gross netional product in 1982 to 1.2 per cent last year and possibly only 0.1 por cent this year.

Exports of goods and services are expected to rise by as much as 7.5 per cent in volume this year following a jump of 11.5 per cent last year. Sweden increased its share of foreign markets by 5-6 per cent in 1983, and a similar expansion is forecast for 1984.

After many years of decline, industrial investment is expected to rise by as much as 15 per ceot this year as industry uses up reserves of idle capacity.

At the same time, the Government bopes that open unemployment can be cut to 3.1 per cent from 3.5 per cent last year, partly helped by further job creation measures. A SKr 2.4bn package was announced yesterday aimed at creating up to 30,000 new jobs for training places.

The stronger economic growth is also beginning to ease pressure on the state's finances. The deficit in the central government budget is now expected to fall to SKr 67.2bn in the 1984-85 fiscal year compared to SKr 80.8bn forecast in January.

Mr Kjell Olof Feldt, the Finance Minister, is deeply concerned that the economic improvement could prove to be short lived, bowever, with an inflation rate that cootinues to run ahead of most of Sweden's competitors in internatiooal markets.

He warned yesterday that the recovory was still fragile. A resurgence of inflation, high nominal wage iocreases and high interest rates would "make the governmeot budget deficit sky rocket," be said.

The Government has already warned implicitly that it will impose some form of wage policy if employers and unions do not moderato wage settlements. Its concern has been triggered by a series of inflatiooary wage deals which, in their current form, make it impossible to achieve the official inflation target of 3 per cent by the eod of 1985.

Sweeping measures were takeo earlier this month, including a general price freeze and the temporary confiscation of liquidity from corporations and local authorities, in an attempt to slow tho rise in prices this year. The Government bas accepted, bowever, that it is unlikely to reach its goal of lowering inflation to 4 per cent by the end of this year. In March, coosumer prices were running at 9 per cent above a year earlier.

Spending and incomes curbs urged on Irish Government

BY BRENDAN KEENAN IN DUBLIN

A MEDIUM-TERM economic plan prepared for the Irish Government recommends sharp cuts in public spending and bolding incomes to average leveis in the European Community between now and 1987. There are already doubts as to whether the recommendations will be acceptable to the Labour Party, the junior partner in the ruling coalition.

The plan was prepared by the National Planning Board. This was established by Dr Garret Fitzgerald's government last year to advise ministers on ways of increasing economic growth and reducing Ireland's 17 per cent unemployment rate.

Prof Louden Ryan, the board's chairman, said Irish taxation rates were "at the limit of the tolerable" and a primary purpose of the plan was to avoid the need for further increases.

The report recommends that Irish governments should concentrate on the size and structure of the public sector borrowing requiremont and that this should be reduced from tho present 17 per cent of gross national product, mainly by e fall in the budget deficit from 8.3 per cent of GNP to 5.2 pea cent.

This would be achieved by tighter controls on government programmes, including the imposition of cash limits for departmeots and a fall of 9,000 in tho 300,000-strong public servants.

Substantial changes are also recommended in the tax structure, which would include the ebolition of relief oo mortgage interest. Thero would be no difference in the tax treatmeot accorded to retained and distributed profits of companies or between salaries and dividends.

Members of the board accepted that last January's budget, which added almost 20 per cent to tho tax burdeo, showed no sign that the Governmont bed accepted their preliminary recommeodations. They stressed the urgency for government action to halt the spiral in unemployment.

Even if the recommendations were acceptod, the report's authors accept that the numbers out of work will grow by 25 per cent by 1987, but believe they sbould fall thereafter. In the meantime, GNP growth would average 2 per cent e year, and inflation would fall from the present 9 per cent to an avorage 5.5 per cent over the period.

The Government is expected to issue a reaction to the report today.

Brussels plan to combat Mediterranean pollution

BY PAUL CHEESERIGHT IN BRUSSELS

THE European Commission is seeking political approval for an environmental action programme in the three EEC countries of the Mediterranean—France, Greece and Italy.

The programme, specifically directed at water pollution and the dissemination of industrial and urban waste, would cost a modest Ecus 5.2m (£3m) over the five years to 1988.

The Commission's ideas are put forward in response to a request from the Council of Ministers which, in 1983, agreed a general programme of environmental action for the Community.

They also follow the EEC decision to sign the Barcelona Convention, which groups Mediterranean countries in an attempt to protect a sea which is surrounded by areas of high population density.

The Community plan is part of an effort to put the EEC house in order before a conference next year of the countries on the Mediterranean littoral which has been called to agree a collective approach to environmental protection.

Strong $ puts U.S. cities among most expensive

GENEVA—The rise of the dollar has put Chicago, San Francisco and New York among the world's 10 most expensive cities, according to the annual survey by Business International.

Lagos, Tokyo and Cairo occupy the top three positions, for the third year, in a list of 85 cities, but the regained strength of the U.S. currency brought spectacular shifts in the rankings of most others.

The most dramatic change came for Caracas which plunged from fourth to 85th because of a drastic devaluation of the bolivar.

For the first time, all European cities listed were less expensive than New York.

Business International's survey is based on a "weighted" index taking into account food, household supplies, recreation, transportation and selected other items.

During the 12 months to January, the inflation rate was up 466 per cent in Buenos Aires as measured by an index of "inflation for executives." Tel Aviv was 231 per cent up, Rio de Janeiro 228 per cent and Lima 122 per cent. It was lowest in Switzerland and the United Arab Emirates, with 2.5 per cent.

Some of the cities are listed below with their position on the scale in parentheses:

Chicago, Jeddah, Singapore, San Francisco (4); New York (8); Abu Dhabi, Los Angeles, Oslo, Taipei, Washington DC (10); Melbourne (19); Zurich (28); Tel Aviv, Bangkok (44); London (46); Paris (49); Frankfurt (54); Rome (56); Brussels (62).

AP

Belgrade dissidents charged

BELGRADE — Yugoslav authorities have begun criminal proceedings against two dissidents detained last Friday night with veteran rebel Mr Milovan Djilas, Mr Srdjan Popovic, a lawyer, said yesterday.

The proceedings on a charge of disseminating hostile propaganda have been opened against Mr Dragomir Olujic, a local radio assistant, and writer Mr Miodrag Milic, Mr Popovic said.

Mr Olujic and Mr Milic were released on Wednesday after four days in police custody, the last of a group of 28 dissidents seized in the raid on a private Belgrade apartment.

Mr Popovic, who was held by police for 12 hours, expects preliminary judicial moves in the next few days. Mr Olujic and Mr Milic are the only two of the 28 originally detained to be the subject of criminal proceedings.

AP

Austria will rely more on gas for energy needs

BY PATRICK BLUM IN VIENNA

AUSTRIA will rely more heavily on gas to meet future energy requirements, even if this means greater dependency on the Soviet Union, which provides practically all its imported gas. In 1983, gas accounted for 16.4 per cent of the country's energy consumption.

Officials in Vienna argue that public opposition in Austria to other sources of energy on environmental grounds and the availability and low cost of Soviet gas makes it the best choice.

"It isn't a political question. It is our only chance to get gas. North Sea and Algerian gas are too expensive," an official of OMV, the Austrian state-owned oil and gas group, said.

Under a treaty signed recently between OMV and the Soviet Soyuzgazexport, Austria will import an extra 1.4bn cubic metres of gas a year worth between £144m and £155m at current prices.

Austria already imports 2.4bn cubic metres a year of Soviet gas. In addition, it takes up another 500-800m cubic metres annually depending on availability.

Austria also "imports" about 500m cubic metres of North Sea gas from Ruhrgas of West Germany but through a switch transaction in fact takes that amount directly from Soviet exports to West Germany.

In practice since 1968 when the first Austrian-Soviet gas treaty was signed, all Austria's gas imports have come from the Soviet Union. Under the new treaty, Austria will import an agreed total of 3.9bn cu metres a year by 1987.

The increase will be staggered over three years, starting with an extra 250m cu metres in July this year. The treaty also provides for an optional extra 1bn cu metres.

Austrian domestic production of 1bn to 1.2bn cu metres of gas will account for about one-fifth of total gas consumption by then.

Austria's reliance on gas has to increase following government measures to reduce pollution, taken under pressure from widespread public opposition to oil, coal and nuclear power.

OVERSEAS NEWS

Mark Baker assesses the reasons for an about-turn in U.S. relations with Taiwan

Reagan takes a softer line with Peking

WHEN President Nixon made his historic moves towards rapprochement with China in the early 1970s, one of the first people to voice protests on behalf of the Taiwanese was Mr Ronald Reagan.

During several visits to the island "Province" of China, and through his ascending political career at home, Mr Reagan proved himself one of the most reliable backers of the Kuomintang leadership on Taiwan. In his 1980 presidential election campaign, Mr Reagan provoked a crisis in Sino-U.S. relations by promising to upgrada Washington's ties with Taiwan.

In politics, four years can represent light years. This week President Reagan will stand in Peking's Great Hall of the People and toast the future of a burgeoning friendship and economic alliance betweeo tha U.S. and Communist China, a sceoe almost unthinkable even a year ago.

Reunification with Taiwan is the highest priorty of Chinese foreign policy, and the Reagan visit is a triumph in Peking's relentless effort to isolate Taiwan and force it back into the national fold.

Mr Reagan insists that the U.S. is not abandoning the Taiwanese. Last week he told a group of mainland Chinese journalists in Washington: "We have a long and historic friendship with the Chinese people of Taiwan. We are not going to turn our backs on old friends in order to strengthen or make new friends.."

But the mere presence of Mr Reagan in Peking — citadel of the "bandit" enemies of the Taiwanese Nationalists — will be a severe blow to the determined yet increasingly absurd claims of the Taiwan leadership to be the legitimate Government of all China. This is reinforced by Britain's effective concession to Peking over Hong Kong's sovereignty after the UK'a 1997 lease expires.

PRESIDENT REAGAN, who arrives in Peking today from Gnam, will seek to play down acknowledged differences over Taiwan during his six-day visit to China, writes Reginald Dale from Washington. Instead, he will concentrate on broadening what the U.S. sees as an important and growing economic and strategic relationship.

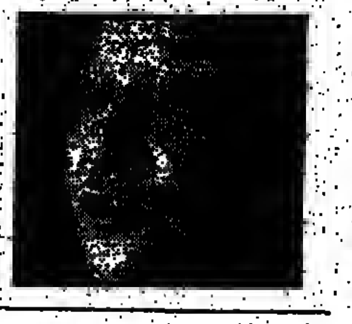
The trip is regarded in Washington as part of a gradual process of forging closer relations with Peking, in which one key element should be major and profitable U.S. participation in China's massive economic modernisation programme. As for the timing, it is clearly intended that Mr Reagan should be seen playing a high-profile role as a world statesman in advance of November's presidential elections.

Senior administration officials have said that they expect no change in either side's attitudes on Taiwan, which remains a touchy issue with Mr Reagan's conservative supporters in the U.S. Mr Reagan will simply repeat the U.S. commitment to fulfil past agreements with Peking on Taiwan, and try to leave it at that, they say.

Mr George Shultz, the U.S. Secretary of State, has also stressed in recent days that the "main point" of the trip is to discuss bilateral matters, rather than form a common front against the Soviet Union.

Mr Reagan, a life-long anti-Communist, accepts that he cannot hope to change the nature of the Chinese system, White House officials say.

In addition to further discussions of possible U.S. arms sales, and scientific and cultural exchanges, Mr Reagan intends to put heavy emphasis on trade issues. "I'll go there as something of a salesman," he said last week, "doing everything I can up to the point of putting a Buy America sticker on my bag."



President Reagan (above) and Deng Xiaoping, the Chinese leader

Mr Reagan, who the Taiwanese bad counted as their most powerful friend, will be seen to be transferring his personal allegiance to the mainland Chinese. This comes at a time when Taiwan's international support has been sinking to new depths. Eveo South Korea — Taiwan's closest ally in the region—haa been showing signs of softening towards Peking.

The Taiwan issue has been the major cause of upheavals in Sino-U.S. relations over the past two years. The continuing arguments over the level of U.S. arms sales to Taiwan, the defection of tennis star Hu Na, the fight over membership of the Asian Development Bank, and disputes over U.S. airline services — all have been a consequence of, or exacerbated by, China's touchiness over continuing U.S. links with Taiwan.

Mr Reagan's visit will take a lot of the heat out of the issue. While it does not mean the U.S. is about to sever all ties with Taiwan, it does mean that Mr Reagan has now ben persuaded about the enormous strategic and commercial potential of drawing closer to China.

If the trip achieved no more than giving this boost to China'a propaganda war with Taiwan, the Chinese leadership would be happy. But they also recognise that, by inviting Mr Reagan at this tima and therefore giving valuable backing to his re-election campaign, they will have an additional lever in extracting further economic advantages from the U.S. relationship as well as from the Soviet Union.

Despite continued sniping at each other, both China and the Soviet Union are still keen to keep up a momentum towards normalising their relations.

Mr Reagan's visit has provoked some barbed comments from Moscow. To balance this approach, however, Moscow announced yesterday that Mr Ivan Arkhipov, First Deputy Prime Minister, will travel to China next month.

Mr Arkhipov will be the most senior Soviet official to travel to the Chinese capital for more than 20 years, and his trip will clearly mark a further step towards normalisation between the two Communist powers.

A successful last-minute scramble to conclude a nuclear co-operation agreement with the U.S. in time for signing during Mr Reagan's visit has illustrated how anxious both the Americans and the Chinese are to exploit the economic potential of a closer relationship.

U.S. nuclear technology is of key importance to China's economic modernisation plans, and it has been estimated that U.S. companies could win contracts worth more than $8bn to help China build nuclear power stations.

Mr Reagan is also set to aign a taxation treaty, which has sIready been initialled, and a new accord on cultural exchanges. Other negotiations on an investment protection treaty, seen as essential to the development of U.S. investment in China, are proceeding but not fast enough for Mr Reagan to capitalise on

China has also been talking to the U.S. about gaining new military technology. While it has stressed the need for military self-sufficiency and the fact that it cannot afford to buy large quantities of expensive hardware, China has still been shopping in the U.S.

A Chinese military delegation spent a month in the U.S. recently, and a U.S. Government delegation has been in China examining the needs of the People's Liberation Army. China is believed to be interested in buying a variety of military equipment, and some decisions are expected before the proposed visit to the U.S. in June by Chinese Ministry of Defence officials.

If the Reagan visit takes the U.S. closer to selling sophisticated military equipment to China, then the Taiwan Government will have even more reason to feel deserted by their old ally. The U.S. is already refusing to sell advanced fighter aircraft to Taiwan and is restraining general military sales in line with its commitments to Peking.

Banks 'must decide' on Citibank repayment

BY PETER MONTAGNON IN AMSTERDAM

THE PHILIPPINES will not authorise further repayment by Citibank of deposits frozen at its Manila branch since the government of President Ferdinand Marcos declared its intention to reschedule its foreign debt last October Mr Cesar Virata, Prime Minister, said here yesterday.

It is now up to the banks to decide whether the deposits represent Philippine sovereign risk or whether they should be the responsibility of Citibank's head office in New York, he told the Financial Times. Mr Virata is in Amsterdam for the annual meeting of the Asian Development Bank which opened here yesterday.

Last weekend Citibank obtained permission from the Philippines central bank to repay 46 per cent of the deposits placed in its Manila branch by other banks which had been used for on-lending abroad. But about $325m (£232m) which had been lent in the Philippines remains frozen.

Asked whether the Philippines should not authorise repayment of these deposits as well to speed up its rescheduling negotiations, Mr Virata replied: "Yes, but there would be a (financing) gap. Someone must pick up the tab."

Bankers on the advisory committee of leading creditor banks, chaired by Manufacturers Hanover, have said that the problems of the Citibank deposits are a major stumbling block to completion of efforts to reschedule the Philippines' $25bn foreign debt. It complicates the problem of ensuring fair treatment for all creditors in the rescheduling and provision of fresh money loans. Citibank has been under pressure to repay the deposits from its head office in New York.

Mr Virata added that the Philippines is now "in the last atages" of negotiating an economic programme with tha International Monetary Fund. This agreement, which should be complete by late May or early June, will form the basis for its rescheduling plans.

● The Philippines is certain to ask for a third extension of the moratorium on repayment of debts in July, Reoter writes from Manila, while a further devaluation of the peso is expected after parliamentary elections in May.

Mr. Cesar Virata, Prime Minister of the Philippines

Banking sources said a rescue package by Philippine creditor banks is unlikely to be delivered before late September or early October due to delays in reaching an agreement with the International Monetary Fund on a $630m atandby credit.

"That means the Philippines will have no choice but to further extend the debt moratorium," one banker said.

Bankers here alsq expect the peso to be further devalued, or allowed to float freely down against the U.S. dollar. By devaluing the peso or allowing it to float the government can check some foreign trading malpractices such as over and undar valuing, and it may also check the flight of capital.

Tha peso was devalued in October by 21.4 per cent when the government also clamped the first 90-day moratorium on debt repayments as foreign exchange reserves fell. It has been extended twice since then and expires in mid-July.

Howe may press Japan to internationalise yen

BY JUREK MARTIN IN TOKYO

SIR GEOFFREY HOWE, the British Foreign Secretary, appeared ready yesterday to add his discreet voice to pressure for Japan to internationalise its currency.

In particular, it is expected that Sir Geoffrey, who is due to confer with Mr Yasuhiro Nakasone, the Prime Minister, and Mr Toshio Komoto, head of the Economic Planning Agency, will characterise the latest Japanese economic package, to be unveiled tomorrow, as no more than yet another step in the right direction.

This package will essentially consist of a recitation of a variety of measures that Japan has already announced or previously agreed to consider. It will encompass some tariff cuts, proposed financial reform actions, the recent beef aod orange settlement with the U.S., Japan'a commitment to buy foreign communications satellites and to permit, in certain cases, foreign inspection of goods imported into Japan.

If Tuesday's talks with the Japanese Foreign Ministry are anything to judge by, the Foreign Secretary is unlikely to court controversy. He and his Japanese counterpart, Mr Shintaro Abe, found few, if any, substantive points of disagreement in their review of global issues, according to British and Japanese spokesmen.

Both, for example, endorsed what Sir Geoffrey described as the need for "for measured but less abrasive" relations with the Soviet Union. But neither anticipated any superpower initiative on arms control before the U.S. election in November.

Soviets launch Afghan offensive

BY ANTHONY ROBINSON AND ALAIN CASS

AFGHAN resistance leaders confirmed yesterday that a major Soviet offensive is taking place in several key areas of Afghanistan.

The offensive against the strategic, rebel-stronghold of the Panjsher Valley is only one, albeit the most significant, of a number of offensives in a multi-pronged attack.

Reports reaching the Pakistani border town of Peshawar confirmed that fresh Soviet troops, flown into Bagram and other air bases in late March, were being used in the new offensive.

The attacks include more intensive aerial bombardment but there is no confirmation yet of the use of high-level strategic bombing by the Soviet air force, although U.S. officials in Washington report that 36 TU 16 Badger bombers are being used in this offensive.

Soviet forces, which invaded Afghanistan four years ago to instal the regime of Babrak Karmal, have tried and failed six times to wrest control of the Panjsher Valley.

Resistance leaders yesterday cast doubt on reports that Ahmed Masood, the most charismatic rebel leader, had been captured.

Rebel leaders in Peshawar said the offensiva against the strategic Panjsher Valley had been expected for some weeks

Iraq accuses U.S. of exploiting war in Gulf

BY OUR MIDDLE EAST STAFF

IRAQ yesterday endorsed Soviat charges that the U.S. is exploiting the Iraqi-Iranian war with tha aim of intervening militarily in the Gulf.

A joint statement issued at the end of a brief visit to Moscow by Mr Taha Yassin Ramadan, Iraqi First Deputy Prima Minister, denounced U.S. attempts to intervene in the Gulf, under tha pretext of ensuring freedom of navigation, "to impose an imperialist diktat on coastal states."

It indicated a clear strengthening of Iraq's rapprochement with the Soviet Union and dependence on it for arms supplies as well as frustration with the relatively even-handed U.S. policy towards the Gulf conflict.

Mr Ramadan discussed "further development of economic co-operation between tha two countries" in talks with Mr Nikolai Tikinov, Soviet Premier, according to the official Soviet Tass news agency.

It is believed that Iraq was seeking easier payment terms

Nigerians rush to change notes

NIGERIANS flocked to banks yesterday to changa their old banknotes for new ones, following the military Government's decision to withdraw the currency from circulation and replace it with a new naira, news agencies report from Lagos.

Holders of old naira have until May 6 to exchange them. Any amount np to N5,000 can be cashed over the counter, but larger sums must be deposited

Meanwhile, Nigeria's land borders remained closed, and travellers arriving by air and sea, including diplomats, were subject to rigorous searches.

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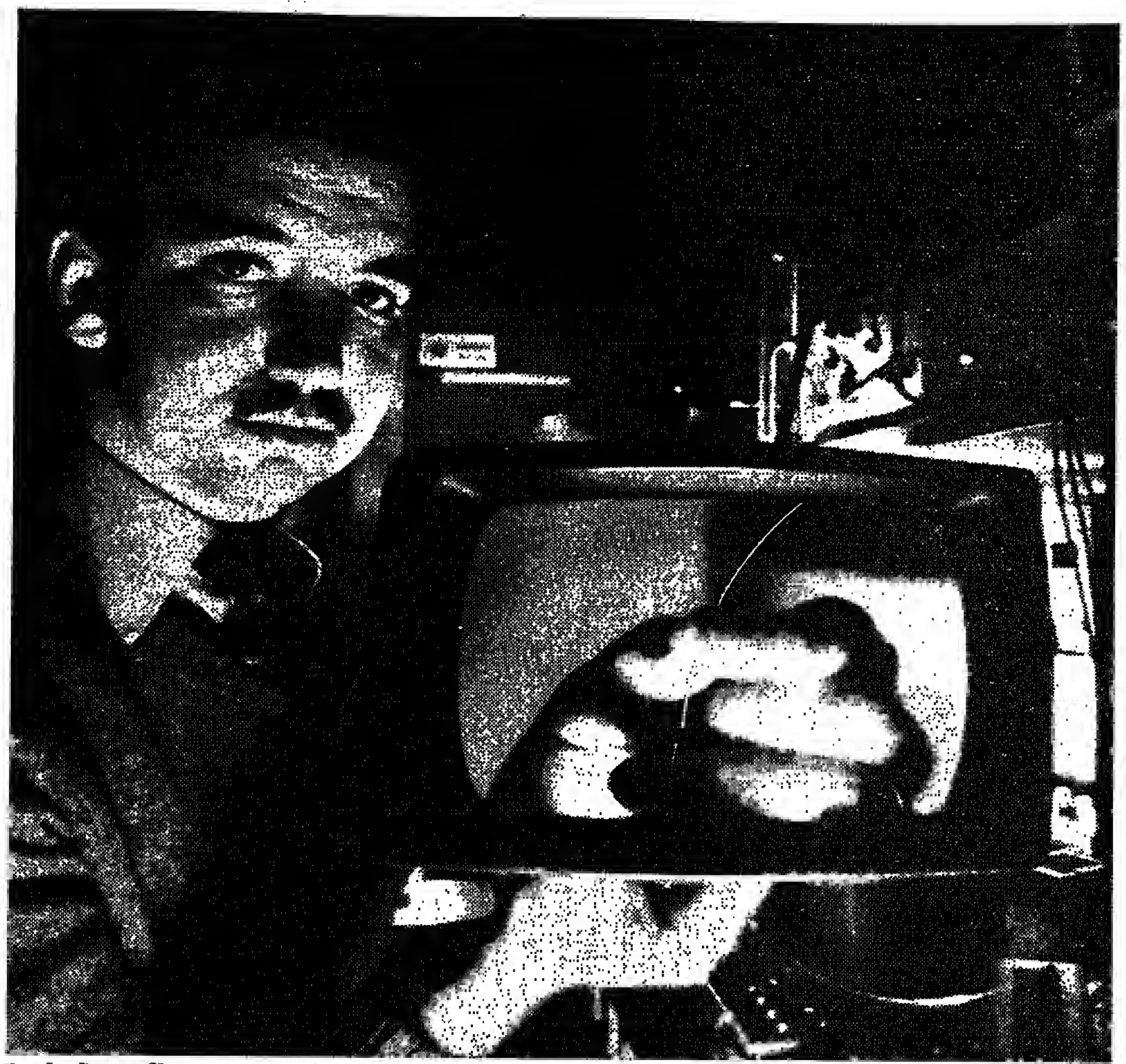

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British TELECOM The power behind the button
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Stewart Fleming and Max Wilkinson on trimming U.S. fiscal deficits

Congress optimistic over budget cuts

"WHAT YOU have seen over the past six months is a great coming together, a concensus that there has to be some change on both sides of the budget. That's a big step forward from the day when you had at one end of the spectrum people arguing 'tax increases over my dead body' and at the other end 'no benefit cuts come boil or high water'."

This is the judgment of Mr Rudolph G. Penner, a 47-year-old Canadian-born economist who six months ago succeeded Ms Alice Rivlin to become only the second director of the Congressional Budget Office.

Mr Penner is not alone in this more optimistic assessment that Congress this year will make at least a start on the job of cutting the $200bn a year federal budget deficits. Mr Martin Feldstein, chairman of President Reagan's Council of Economic Advisers, says the prospects for the three-year $150bn programme of budget cuts Congress is considering are "very encouraging." Senior budget officials in Congress are also more hopeful than they were even a few weeks ago that at least part of the package will be agreed.

Mr Feldstein believes that if Congress agrees the package of cuts, the effect could be to reduce the prospective deficit by between a half and a third by the end of the decade.

Mr Penner's views on the budget outlook are watched particularly closely, for when it comes to assessing federal fiscal policy the judgments of the CBO are arguably the most influential in the country. When the CBO speaks the financial and the political worlds listen, for they know they are hearing the most objective and thorough budget analysis they are likely to get on what Mr Penner describes as "one of the most profound and complicated arguments a nation can have: the question of what the federal Government is responsible for and who should pay for it."

Since Mr Penner took over last year, the CBO has underlined the objectivity of its budget analysis on more than one occasion. In February for example, just a couple of weeks after President Reagan sent his budget plan for fiscal year 1985 to Congress projecting federal budget deficits of $123bn by 1989, the CBO reworked the Administration's figures to show a deficit rising to $248bn in that year. In the absence of action to cut the deficit, the CBO said that it would rise to over $300bn in 1989, and perhaps even sooner if less optimistic economic growth assumptions were made.

Then last month when the President announced his so called "Rose Garden" budget cutting package, the one the Senate is now working on, the CBO again warned against excessive optimism. Even if enacted, the CBO said the proposal would only stabilise the deficit around the $200bn mark in the next couple of years, indicating that another similar sized package would be needed.

These judgments have, it seems, stilled Congressional fears among Democrats about the decision to replace the liberal Democrat Ms Rivlin with the conservative leaning Mr Penner. According to one well known Congressional economist, several House committee chairmen agitated against the appointment of a man who had served in both the Nixon and Ford Administrations before in 1976 becoming director of tax policy studies at the American Enterprise Institute, a conservative Washington think tank.

"Now," says this economist, "he is perceived to be doing a super job. He is seen to be impartial, effective, open minded and imaginative, although obviously a guy with conservative instincts."

For the CBO, this sort of judgment of its new director must be profoundly reassuring because its credibility and influence depend on its objectivity.

This challenging task, to remain non-partisan, was the one which Congress forsaw in 1974 when the CBO was created. The Budget Act of that year was a landmark which created a rational process for Congressional budget action at a time when Congress was determined to reassert the influence which the constitution formally gives it over federal Government spending and taxing decisions. That influence had been steadily eroded since 1921 as successive presidents had expanded their role in shaping fiscal policy. The CBO, which now has some 220 employees and a $16m a year budget, was set up as a counterweight to the President's Office of Management and Budget, designed to give Congress in-house budget expertise.

Juggling the budget figures is only part of the CBO's job. Two-thirds of its staff, for example, are occupied costing out all the legislative proposals which come out of Congressional committees—about 700 a year according to Mr Penner. Before the CBO existed such estimates were not done except for legislation initiated by the White House.

"People would always be surprised that some programme which was costing a few hundred million dollars in the first year would suddenly be running at $1bn or $2bn," Mr Penner says of the days before the CBO existed.

He sees this educational role of the CBO as a critical element of the contribution it has made to the political process. "Sophistication regarding budgetary matters has grown particularly with regard to the effect on the economy. The politicians are getting better and better educated and the budget process has made them focus on these issues." Mr Penner contrasts this with the days "when nobody cared what inflation did to programmes. We were a rich country and we perceived ourselves as continuing to grow. That was part of the problem."

Those uncomplicated days have gone and now the political struggle over fiscal priorities, over whose taxes should be raised and what programmes cut is well under way. Even if a package of budget cuts is finally approved this summer, even Reagan Administration officials concede more will be needed in 1985. Some concede that achieving further cuts could be even more difficult since the easier changes are naturally enough being made first.

Mondale's fundraising methods under attack

By Reginald Dale in Washington

MR WALTER MONDALE is coming under increasingly heavy fire on the sensitive issue of his campaign finances. His two rivals for this year's Democratic presidential nomination—Sen Gary Hart and the Rev Jesse Jackson—are now both openly charging that fund-raising methods used by the former vice-president's supporters are unethical, and possibly even illegal.

Mr Hart, who has tried to make an issue of what he calls Mr Mondale's "backdoor" campaign financing, has now been joined in his attacks by Mr Jackson. Federal election rules were "either being stretched, extended or broken," by the Mondale fund-raisers, Mr Jackson charged on Tuesday.

Mr Mondale's problems stem from his lavish spending in the early days of the race, when he hoped to win the nomination by a knock-out victory in the opening rounds of the primary and caucus voting.

By the middle of this month, he was estimated to have spent as much as $17m, bringing him uncomfortably close to federally decreed limits. Federal law allows candidates to spend $20.2m up to their party's national convention in the summer, with another $4m for fund-raising and legal expenses.

The law does not, however, forbid the formation of independent "delegate committees," which may raise funds to promote the election of delegates to the party convention. It is over the activities of his delegate committees that Mr Mondale is now running into trouble.

Mr Mondale has been attacked for allowing the delegate committees to receive money from political action committees—supposedly independent political pressure groups—despite his earlier campaign pledge not to use such funds. He says that he has tried to prevent the delegate committees from accepting such donations, but that it is their legal right to do so if they want to.

More seriously, perhaps, evidence is now emerging that the Mondale delegate committees may not be quite as independent from the national campaign organisation as the law requires.

National campaign workers are apparently shifting to delegate committee payrolls in states with upcoming primaries or caucuses, the 124 supposedly autonomous committees are transferring money to their counterparts in other states, and collaborating in registering with the commission.

Offshore lease prices lower

The latest U.S. federal offshore lease sale in the central Gulf of Mexico was one of the biggest to date, with a total of 34.7m acres being offered covering 6,500 tracts, William Hall writes from New York. However, it attracted less interest than previous Gulf of Mexico sales. A total of 793 bids for 529 blocks covering 2.0m acres were submitted.

A total of $1.45bn was bid, but the prices paid per tract dropped by up to half compared to last year.

At least 40 dead in Dominican Republic austerity protests

BY HUGH O'SHAUGHNESSY, LATIN AMERICA CORRESPONDENT

THREE days of bitter rioting in Santo Domingo and four other cities in the Dominican Republic have left at least 40 dead. Rioters and looters fought with police armed with automatic weapons as protests swelled against the austerity measures introduced by the social democratic government of President Jorge Salvador Blanco on the advice of the International Monetary Fund.

The incidents caused the worst bloodshed since the U.S. military intervention in the country in 1965. Violence was reported from the towns of Santigo, La Vega, Bani and San Francisco de Macoris.

President Blanco decreed rises of up to 80 per cent in food prices and large increases in import tariffs as the price of a $450m loan from the Fund. The Dominican Republic's earnings from sugar, coffee, cocoa and bananas have been severely hit by falls in commodity prices.

The business community decreed a one-day strike on Monday and five trade unions decreed stoppages on Tuesday. The IMF team was expected in Santo Domingo yesterday to complete the loan agreement which President Blanco says is needed to control "the national economic crisis."

Yesterday troops set up steel barricades round the old city where firing was heard yesterday morning and where shops and offices had been looted and burned. One bank was gutted by demonstrators.

The chiefs of the Republic's 19,000 strong armed forces pledged on Tuesday that they would respect the President, support the government and guarantee order. Among the 300 people arrested on Tuesday was Sr Julio da Peña Valdez, secretary-general of the Dominican trade union confederation. Schools were shut to discourage demonstrations by schoolchildren. Two radio stations and a TV station were closed by the authorities who accused them of spreading alarm.

Brazil Congress debates presidential poll reform

BY ANDREW WHITLEY IN BRASILIA

THE TWO houses of Brazil's Congress yesterday began an historic joint debate on an Opposition bill to amend the constitution and restore direct Presidential elections after 20 years of military-led rule. But the prospects of the Bill obtaining the necessary two-thirds majority in both the chamber of deputies, the lower House, and the Senate remains uncertain.

Congressmen said they expected the Government party's leaders acting on instructions from President Joao Figueiredo to try and withdraw their members when the vote is called. This would deny a quorum and effectively kill the Bill.

President Figueiredo's military-led Government has resorted to an extraordinary range of pressures and intimidation, including placing the Federal capital temporarily under the military's control, to block the passage of the Bill. The amendment calls for direct elections in November to choose the Sr Figueiredo's in contrast to the Presidents own suggested date of 1988.

Supportesr of the Bill, known as the Dante de Oliveira amendment, were yesterday concentrating their efforts of winning over the 76 Government party deputies they reckoned would be enough to get the measures through the lower House. A list of 55 declared supporters of direct elections from the official Partido Democrato Social was circulating in the chamber. Many deputies were wearing yellow ties, the chosen colour of the opposition campaign.

The opening of the debate was held up by many points of order in which deputies denounced General Newton Cruz, the Regional military commander. One deputy complained that the long-distance telephone lines out of the Congress building had been cut to prevent the rest of the country from following the debate.

French N-group in talks on access to uranium

BY DAVID MARSH IN PARIS

COGEMA, the French state-owned nuclear group, is holding talks with the Brazilian authorities about acquiring access to large-scale uranium resources in north-east Brazil.

Although a Cogema spokesman in Paris said that no agreement had been concluded, an accord on mining the uranium-rich deposits at Italaia would give France further important supply sources for its expanding nuclear energy programme.

Cogema, which is the only company in the world to handle all integrated aspects of the nuclear fuel cycle—from prospection and mining to uranium enrichment and fuel reprocessing—already mines uranium from deposits in Niger, Gabon, Canada and the U.S. as well as in France.

Pechiney, the French state-owned aluminium and minerals group, plans to build a pilot processing plant to produce both uranium and phosphates from the mine, using a specially-developed process. Pechiney already has built a uranium production plant in Brazil using conventional techniques.

Nicaraguan rebels to hold talks on alliance plan

By Our Foreign Staff

THE TWO principal U.S.-backed rebel groups fighting the Sandinista Government in Nicaragua are to attempt to form an alliance after more than two years of non-co-operation. This move has been announced by the Honduran-based Nicaraguan Democratic Front (FDN), which claims that talks are shortly expected with the Democratic Revolutionary Alliance (ARDE) operating out of Costa Rica.

The alliance proposal comes at a time when the U.S. Government is reported to be putting strong pressure on the anti-Sandinista rebels to show more positive military results. It also follows an apparent suspension in the campaign to mine Nicaraguan ports after objections in the U.S. Congress over direct Central Intelligence Agency involvement in the mining—actions formally claimed by both ARDE and the FDN.

The FDN, composed mainly of former National Guardsmen loyal to the late Nicaraguan dictator, Anastasio Somoza, have some 10,000 men under arms. Of these up to 5,000 are reportedly operating inside Northern Nicaragua. ARDE, led by the former Sandinista military hero, commander Eden Pastora, has around 5,000 men and ten days ago briefly held the garrison town of San Juan del Norte on the Atlantic coast near the Costa Rican border. Until now, Commander Pastora has refused to join forces with the FDN because of the latter's connection with the Somoza dictatorship.

In Nicaragua, the Sandinista leadership has announced that the mining campaign over the past three months had caused losses of $10m. Losses in fishing vessels amounted to $5m and a further $3.8m was lost in fishing revenue. The other main loss came from rerouting cargo and lower customs dues.

● Reuter adds from The Hague: Nicaragua yesterday accused the U.S. of flagrantly violating international law by supporting anti-government insurgents and called on the world court to order Washington to stop covert operations against it.

At the opening of public hearings, Nicaragua asked the International Court of Justice to issue interim measures to restrain the U.S. while the court decided whether it had jurisdiction in the case. The U.S. said on April 6 that it would not recognise the court's jurisdiction in cases involving Central America for two years.

AP adds from Washington: The U.S. navy will begin a coastal surveillance exercise this week in the Gulf of Fonseca off Central America to help stop the flow of arms from Nicaragua to leftist rebels in El Salvador, Pentagon sources said.

The sources said that one U.S. frigate has been near the gulf for a number of months to alert the Salvadoran navy to shipments of arms from Nicaragua.

Airbus Industrie still hopes to sell Libya A-300s

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

AIRBUS INDUSTRIE, the European airliner manufacturing group, remains hopeful of eventually selling some of its A-300 and A-310 Airbuses to Libya, despite recent diplomatic problems and U.S. objections to the sale.

The outstanding order by Libyan Arab Airlines is for eight aircraft — four A-300s and four A-310s, all with U.S. engines. The U.S. Government, as a result of its own diplomatic difficulties with Libya, blocked the sale some time ago, on the grounds that the aircraft used extensive U.S. equipment as well as U.S. engines.

The possibility of Rolls-Royce RB-211 engines being installed in Airbuses as an alternative to U.S. power-plants had already been considered for some time by a number of airlines worldwide and by Airbus Industrie itself, and it was raised as a possible solution to the Libyan Airbus problem.

But little progress had been made in discussions prior to the recent UK breach with Libya.

Contrary to some suggestions, the use of Rolls-Royce engines in Airbuses is not and never has been tied to any solution of the Libyan situation. Rolls-Royce is ready to offer its engines to any interested Airbus buyers who may emerge.

The deciding factor will be the cost of certificating the engine in the Airbus, and who pays — whether part of the cost is borne by the customer, as well as by the engine and airframe manufacturer.

So far as the Libyan situation is concerned, discussions between Airbus Industrie and the airline have been slow for some time, and the European group is not optimistic of an early conclusion, especially in the light of recent events.

But the order has not been struck off the books yet, although aircraft on the production line earmarked for Libya probably will be sold to other Airbus buyers interested in earlier delivery.

● GPA Group, the Shannon, Ireland-based aircraft trading and leasing company has purchased four Boeing 737-200As from Air Florida of the U.S.

Two of the aircraft were delivered on April 19 and have been placed by GPA on lease to America West Airlines of Phoenix, Arizona. The other two aircraft will be delivered in early May.

The company has refused to disclose the cost of the aircraft but it is thought the order is worth ebout $50m (£35.7m).

Under the U.S. Aircraft Loan Guarantee Programme, the U.S. Government, through the Federal Aviation Administration, held liens on the equipment. These liens and others held by financial institutions will be released with the proceeds of the transaction.

World trade volume 'set to rise 5%'

GENEVA—The volume of world trade expanded by 2 per cent in 1983, recovering to its 1980 level, with the rate of growth increasing since the second half of last year, according to the forthcoming annual report of the General Agreement on Tariffs and Trade (Gatt).

Citing material from the report in a U.S. speech, Gatt's Director-General, Mr Arthur Dunkel, said there would be growth of 4-5 per cent this year if trade stabilised at its current level, but that " there

Mr Dunkel did not give precise figures for the volume of trade involved in the expansion, but said that the economic recovery, while underway, has taken place on a "disturbingly narrow base," with one-half of last year's net trade growth being accounted for by increased exports to the U.S.

"While this demonstrates cleverly the vital role of the U.S. as the leader of the recovery, it is one of the factors behind the mounting trade deficit which magnifies the protectionist pressure to which the U.S. Administration is now being subjected." AP-DJ

Iraq offers India petroleum to pay for contracts

BY R. C. MURTHY IN BOMBAY

IRAQ HAS proposed to ship petroleum, crude and sulphur to India to a value of an estimated $150m (£107m) due in 1984 against all Indian construction and other contracts in Iraq.

Nearly 68 Indian companies were awarded contracts valued at $2.65bn in Iraq during the Middle East boom which has now been flattened by waning oil revenues as a result of the world crude price decline.

The four-year-old Iran-Iraq war has strained the Iraqi economy further. For the first time in many years, Iraq delayed payments to international contractors in late 1982, and borrowed some $7.56m in 1983.

Iraq's inability to pay cash for priority contracts, such as strategic roads and railway constructions is seen as further deterioration in its external resources position.

In 1983 Iraq divided all Indian contracts into three categories—priority, small, and non-priority — and bad sought deferred credit for $90m due against non-priority contracts.

Iraq bas reached a payments egreement last week with India, which has agreed to extend deferred credit facilities for 80 per cent of payments due in 1984 on all contracts, priority or otherwise.

The agreement envisages that Iraq will ship this year oil and sulphur for the remaining 20 per cent of the value of contracts.

The latest payments agreement is more liberal than that of last year when Iraq paid $90m cash and sought credit for only 75 per cent of the payments due. Also, the three-year period for repayment of amounts due in 1984 is longer than two-year credit extended in 1983.

Iraq is keen to eward fresh contracts of a priority nature to India but on a deferred-payment basis. The Indian Government has yet to decide on this proposal.

Iran is also having a problem selling crude. Iranian light is suffering from weak spot market demand and some traders say recent transactions of Iranian light involved 60-day credit.

Iran is also putting pressure on Japan, a major customer for Iranian oil, to lift more crude by linking its purchases of Japanese goods with oil sales.

Some three years ago, Libya offered to pay in oil for a transmission tower construction contract completed by an Indian engineering company in that country.

NY export tax credit banned

BY NANCY DUNNE IN WASHINGTON

A NEW YORK State corporate tax credit for exports has been ruled as unconstitutional by the U.S. Supreme Court.

In a suit brought by Westinghouse Electric, the court said New York was discriminating against export business generated by other states by giving e tax credit on goods shipped from New York by Domestic International Sales Corporations (Discs).

Discs are exporting companies set up under special provisions of federal law aimed et encouraging exports. The Disc system, which allows business to defer tax on export income, is said by Canada and the EEC to violate the General Agreement on Tariffs and Trade (Gatt) rules limiting government export subsidies.

New York enacted legislation in 1972 to tax Discs, but it provided for a partially offsetting tax credit for New York exporters in an ettempt to ensure the state would not lose shipping business.

However, the Supreme Court ruled that the New York tax, by discriminating against exports shipped from other states, violates the U.S. Constitution's commerce clause which has been interpreted to mean that states may not interfere with interstate commerce or discriminate against each other.

Westinghouse has its headquarters in Pittsburgh but 5 per cent of its exports are shipped from New York. It received a $8,500 (£6,100) tax credit in 1972-73 for its goods shipped from New York.

A similarly situated corporation whose Disc shipped ell its goods from New York would bave received a credit of ebout $170,000, the court said.

Boots in Yugoslav venture

BY ALEKSANDAR LEBL IN BELGRADE

BOOTS, the UK company, and the Yugoslav pharmaceutical company Galenika bave opened a joint venture company which will manufacture raw materials for Ibuprofen, an anti-rheumatic drug. The annual capacity will be between 80 and 100 tonnes, balf of which will be sold on the local market and the other half exported to selected countries like France, the Comecon group and Arab markets.

Mr T. G. Richardson, a Boots director, said the venture was the first production joint venture ever made by the company.

Boots will heve a 49 per cent share in the joint company's equity (part of it the value of technology and part casb) the value of which is likely to be some £2m.

The director of the Boots-Galenika, as the new company is called, will be a Yugoslav while his deputy will be a Briton.

With the Boots-Galenika deal the number of British joint ventures in Yugoslavia amounts to 15. All but one (Davy with the Smederevo steel complex) are of small size.

Arms offset arrangements could cost U.S. $30bn

BY NANCY DUNNE IN WASHINGTON

THE U.S. economy could lose $30bn (£21.4bn) over the next five years through the use of "offset" arrangements negotiated with the sale of U.S. arms, according to a report issued by the General Accounting Office (GAO).

The use of trade offsets—such as co-production, counter trade and subcontracting—is on the rise in weapons sales, says the GAO, the investigative arm of Congress, and such deals could well "run countries to U.S. interests."

The practice involves shared manufacturing by foreign governments or other arrangements aimed at "offsetting" part of the cost of a weapons deal.

According to one Treasury Department survey, 26 major U.S. aerospace and electronics manufacturers entered into 143 offset deals between 1975 and 1981 for military sales totalling $14.2bn. The offsetting value of 130 of those contracts was almost $10bn.

The use of offsets, mostly co-production, began in the late 1950s and early 1960s in Europe and Japan, when they sought to reduce the outflow of foreign exchange and to promote domestic employment.

In recent years, more industrial countries have required offsets, or some type of industrial participation, as a prerequisite for purchasing major defence equipment.

For example, offset arrangements were concluded with the sale of AWACs to Nato and F-16s to four northern European countries, Israel and Turkey.

Offset arrangements can benefit U.S. national defence, the GAO said, by achieving commonality of weapons systems, closer ties with friendly countries, lower unit costs and in generating new U.S. jobs.

But offset deals could lead to an eroding U.S. industrial base; promote commercial competition by the co-producing country; create an unfavourable U.S. balance of payments position; reduce tax revenues and U.S. employment; increase costs; and distort trade, the report adds.

The GAO particularly dislikes offset deals concluded with countries which receive U.S. military assistance.

Oil market may be becoming too complacent

By Richard Johns

THE OIL market may be becoming too complacent about the task of maintaining price stability this year, Rowe and Pitman warn.

The stockbrokers' cautionary note comes as the spot price for Brent, the North Sea reference, has slipped below its official selling rate of $30 for the first time since the end of April.

The Organisation of Petroleum Exporting Countries' position could be weaker than is generally supposed if a relaxation of tension in the Gulf or less optimistic demand-scenarios reduce the anticipated level of the summer build-up of stocks, Rowe and Pitman says.

They project a global increase in demand over 1984 of 1.3m barrels a day, or 2.9 per cent, compared with a rise of 2.5 per cent forecasted by the International Energy Agency in its most recent assessment.

China 'ready to sign nuclear contracts'

PEKING—China is set to sign contracts with French and British nuclear power companies this summer for the construction of a 1.8m kilowatt nuclear plant to be shared with Hong Kong.

Peng Shiiu, Vice-Minister of Water Resources and Electric Power, was quoted by the official China Daily newspaper as saying that more than 20 contracts will be signed for the $4.1bn (£2.8bn) plant at Daya Bay, Guangdong Province.

The plant will be China's second nuclear power station.

The contracts include the basic joint-venture contract between the China and Hong Kong authorities, a design contract with Electricité de France to be signed in June, the nuclear reactor contract with Framatome Co of France in July, and the turbine contract with General Electric of Britain to be signed in August. AP-DJ

West Germany urged to boost stake in IDB

BY OUR FOREIGN STAFF

WEST GERMANY should concentrate more attention on small- and medium-sized projects in Latin America "after the negative experience with large-scale projects such as nuclear co-operation with Brazil," says a report on West German-Latin American relations just published by the Friedrich Ebert research institute in Bonn.*

The report calls for the Federal Republic to increase its stake in the International Monetary Fund and the Inter-American Development Bank (IDB) and ensure that the austerity policies prescribed by the IMF are reviewed.

The supply of Latin American raw materials to West Germany should be encouraged and Latin Americans should be encouraged to take a stake in the processing of raw materials in the Federal Republic.

The report warns that after the second enlargement of the EEC to include Spain and Portugal, protectionist tendencies to limit imports from Latin America are likely to increase as the products of new EEC members will compete with products now being offered by Latin America.

* *The Relations between the Federal Republic of Germany and Latin America: Present Situation and Recommendations.*

Reuter adds from Guatemala City: Guatemala is considering suspending trade with Nicaragua over alleged non-payment of an interest bill, Sr Leonel Hernandez Cardona, Economy Minister said.

Nicaragua owes $8m (£5.7m) in interest on its $137m debt, he claimed. Guatemala exported $50m-worth of goods to Nicaragua last year against $12m of imports.

Miners offer talks, but still oppose closures

BY OUR LABOUR AND PARLIAMENTARY STAFF

DEADLOCK in the British miners' dispute was broken for the first time in seven weeks yesterday when the mineworkers' union asked for talks on the dispute with the National Coal Board (NCB).

The meeting, between Mr Arthur Scargill, president of the National Union of Mineworkers (NUM) and Mr Ian MacGregor, chairman of the NCB will take place in the next few days and will be their first contact since March 6 when the board announced plans for a 20,000 cut in jobs and the closure of certain collieries.

But both sides remained as entrenched as ever last night despite the NUM'S initiative and evidence that more mineworkers nationally were ignoring the union's call for all-out strike action.

The NUM issued a statement saying that its offer for talks with the NCB "anywhere, at anytime" was based on a wish to talk about future expansion of the industry and not pit closures.

Its offer was contained in a letter to the board from Mr Peter Heathfield, general secretary of the NUM.

Mr Ned Smith, the NCB's head of industrial relations said: "It is encouraging that they are prepared to meet us. I hope we can get into some commonsense discussions."

Mr Ian MacGregor

Mr Scargill said yesterday: "There must be no reduction in manpower levels and there must be no pit closures. The coal board knows that and we know that. It is a major difference of opinion between us."

It is therefore, clear that there remain large and possibly insuperable differences on the form and content of any meeting.

The board reported near normal working in most of Nottinghamshire's pits, with only 5,388 miners from a total of 34,000 on strike yesterday. This was the first day of full working after the Easter break, and a crucial test of the response by the county's miners of the call for a national strike made at last week's special delegate conference in Sheffield.

Overall, the NCB said 46 pits in the Midlands areas were working. However, the NUM disputed these figures, and said some 12,000 Nottinghamshire miners were on strike.

● Coal stocks at the power stations were sufficient to carry through well into the autumn and for many months after that, Mr Giles Shaw, parliamentary Under Secretary for Energy, said in the House of Commons. He again rejected Labour opposition demands for the Government to intervene in the dispute.

● Labour's national executive yesterday gave its full backing to the NUM, calling on all party members to contribute to the miners' strike fund.

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UK seeks changes in diplomatic rules

BY MARGARET VAN HATTEM

THE BRITISH Government plans to present proposals for changes in the rules governing diplomatic immunity at a meeting of international legal experts next month.

The move was announced in Westminster yesterday when MPs were promised that action would be taken in an international forum in the wake of the siege at the Libyan People's Bureau in London.

Mr Leon Brittan, the British Home Secretary, gave no details. However, it was later confirmed in Whitehall that Foreign Office legal advisers and senior civil servants will begin a review of the workings of the Vienna Convention and present their recommendations for improvements to the International Law Commission.

This body, set up under the United Nations, comprises 34 international legal experts nominated by UN member states who meet for three to four months every year in Geneva. The British Government hopes to be ready to present some proposals to this year's meeting which begins next month.

Mr Brittan revealed that the Government had lobbied extensively in the international community in an attempt to bring pressure to bear on Colonel Muammer Gadaffi, the Libyan Leader, and so avert the need to break off diplomatic relations with Libya.

These efforts are understood to have included personal messages from Mrs Margaret Thatcher, the Prime Minister, to six non-aligned world leaders.

Mr Brittan described the breaking of diplomatic relations as a "very serious" step taken on only three previous occasions since the Second World War, and said Britain's action was widely regarded as a "robust response."

Although international lobbying efforts appear to have been unsuccessful in their original intent, Mr Brittan reported an increasing volume of international support from countries including the U.S., Canada, Belgium, Norway and France.

Reaction to Mr Brittan's statement was generally low-key, with many MPs apparently taking a lead from Mr Gerald Kaufman, Shadow Home Secretary, who said that searching questions should be held in check until after the Libyans in the People's Bureau had been sent home and British diplomats in Libya had returned to the UK. He asked for a further opportunity to put questions at the beginning of next week.

MPs agreed that the outrage felt over the murder of Woman Police Constable Yvonne Fletcher by an occupant of the People's Bureau *must not* be allowed to prejudice the safe return to London of the staff in the British Embassy in Tripoli.

SCRUTINY OF FINANCIAL COMMUNITY GETS FRESH IMPETUS

Securities body pledges reform

BY JOHN MOORE, CITY CORRESPONDENT

THE CITY of London's most criticised self-regulatory body, the Council for the Securities Industry (CSI), yesterday formally declared that it intended to revamp its organisation, probably change its name, and take a new direction in the policing of the affairs of London's financial community.

The new reforming zeal of the CSI has been stimulated by a report on investor protection, published in January, prepared by Professor Jim Gower, the Department of Trade and Industry's consultant research adviser on company law.

Prof Gower prepared his report on investor protection at the request of the Trade Department after a wave of scandals in securities firms which were not members of the London Stock Exchange, and after malpractice in the London commodities markets.

Prof Gower remarked that he was "surprised by the extent of the criticisms of the council that I have heard in the course of my preliminary discussions and clearly there are many in the City and elsewhere who regard it as a fifth wheel on the coach with little prospect of ever becoming anything more useful."

Views have not changed much in the City since these initial observations in January 1982, Mr David Hopkinson, who runs £2.5bn of investments at M & G through pension funds and unit trusts, said that the CSI "is a quango to the power of four. It has got to be completely revamped with people who actually understand the markets and who are not just woolly do-gooders."

In his report in January, this year Prof Gower recommended his new plan for improved investor protection. He said that the Department of Trade should have wide powers to supervise a number of new City *self-regulatory agencies* and would be responsible for day-to-day supervision of the investment community.

The CSI would act as an umbrella, he said, for the self-regulatory agencies to co-ordinate their activities. Both the Trade Department and the CSI would maintain contact with each other.

In its submissions to Mr Norman Tebbit, Secretary for Trade and Industry, on the Gower proposals, the CSI said that the majority of the 20-strong council – and there have been divisions over certain key issues – believed that if there were to be a number of self-regulatory agencies, there would also have to be provision for co-ordinating their rules and checking that the agencies were fulfilling their investor protection functions.

"They believe, that this should be done by a practitioner-based body rather than by the Department of Trade and Industry or a statutory commission," it said.

The council believes that it mattered little whether this supervisory body was based on the CSI or was an entirely new organisation, as long as it could adequately carry out the necessary investor protection functions.

"There is no doubt that if the CSI were to become the supervisory body, it would have to be substantially reconstituted and would probably need to change its name to reflect its new role. The supervisory body would have much more of a regulatory and less of a consultative function than the present council."

The council has told the Trade Secretary that the number of self-regulatory agencies should be controlled, as there are fears that the number of these bodies in the City of London could rise to 20. "It is important that they are relatively few in number since proliferation would almost certainly render the system unworkable," it said.

These new proposals mark a radical shift in direction from the role set out by the Bank of England which set up the CSI in March 1978. Then, the CSI had the stated objectives of supervising, maintaining ethical standards, resolving differences, and initiating codes of conduct.

The council sees its role now lying purely and simply in the field of investor protection.

Freelance labour 'boosts profitability'

BY JOHN LLOYD, INDUSTRIAL EDITOR

HOMEWORKERS, outworkers and freelance labour are now an increasingly important factor in the labour market and appear to contribute significantly to the profitability and investment plans of the companies which use them.

Research by the Department of Employment, based on the findings of the Workplace Industrial Relations Survey, shows that "establishments using outworkers and/or freelancers are doing better on balance, than establishments not using these types of labour. This suggests that the flexibility offered by these types of labour can of itself be a significant factor in a firm's expansion in its ability to ride through the recession."

While a significant proportion of outwork is still found in the generally declining clothing and textile industries, there is now ample evidence to show that it is spreading particularly rapidly in expanding sectors, such as information technology, many clerical and even managerial jobs.

"In terms of financial performance compared with other firms in the same industry, outwork establishments were doing markedly better than average."

DE research has shown, on the best survey evidence available, home and outworkers now total some 1.68m, or around 7 per cent of the total labour force. This is up from an estimated 1.1m in the late 1960s, and confirms the conclusion of a number of studies that the trend is a rising one.

The correlation between the use of outworkers and profitability is an important finding, since it will tend to emphasise to employers the advantages many have enjoyed in using this form of labour in preference to hiring permanent workers.

However, as the research makes clear, the wages and conditions of outworkers are generally inferior to permanent staff. It says that "rates of pay were never higher than those for inworkers (except, to some extent, in the Wages Council sector which sets minimum rates for low paid workers) – and yet outworkers were typically not offered the benefits, such as sick pay and holiday pay, that are now standard benefits for employees."

The Workplace survey shows that at least half of all outworking is concentrated on companies where pay and conditions offered to full-time employees are below average, and where union density is around half of the average. The evidence suggests that very few homeworkers are themselves unionised.

(Employers use of homework, outwork and freelances by Catherine Hakim, DE Gazette Vol 92 No 4, April 1984)

MPs to hear British Gas deal evidence

BY DOMINIC LAWSON

THE HOUSE of Commons Select Committee on Energy will today receive the evidence it has requested on the proposed British Gas Corporation deal to buy £20bn worth of gas from the Norwegian Sleipner field.

Memoranda are expected to be delivered by British Gas, the Treasury, the Department of Energy, and major North Sea gas producers, such as BP, Shell and Esso.

It is likely to take a week or two before the committee decides whether to hold a full-scale inquiry into the proposed deal, which has been held up by Treasury objections. In any event it is expected the committee will publish the evidence submitted to it.

The committee most recently looked at the long-delayed proposed sale of the British Gas half share in the Wytch Farm oilfield, Britain's biggest onshore discovery. The MPs have now decided collectively to take no further action at this stage.

However, a Labour member of the committee, Mr Geoffrey Lofthouse, said yesterday the Labour minority on the committee was "certainly not happy" that a full-scale inquiry had not been undertaken, and would press for such an investigation even after the Wytch Farm stake had been sold.

The committee reported that if doubts remained about the Government's instruction to British Gas to dispose of the field "the proper place to resolve them is in the courts."

Enterprise Oil to set up subsidiary for U.S.

FINANCIAL TIMES REPORTER

ENTERPRISE OIL, the former British Gas North Sea oil subsidiary soon to be floated on the London Stock Exchange, is set to expand into the U.S. oil market after its arrival in the private sector.

A new subsidiary, Enterprise Oil North America is about to be set up and a former U.S. exploration head of BP, Mr Colin Davies, has been taken on by Enterprise to spearhead its expansion in the U.S.

At the time of flotation, probably in late June, Enterprise's assets will be 100 per cent based on the UK Continental Shelf. But its strategy for the future will involve a steady diversification into other oil provinces, initially the U.S. It is thought that in about five years the company would aim to have over 20 per cent of its assets base overseas.

Although Enterprise Oil's corporate plan is not likely to be made explicit until the publication of its prospectus, it is thought that its plans for entry into the U.S. oil market could involve corporate takeovers, rather than just asset acquisitions.

As regards other foreign diversifications it is likely that the company would concentrate on areas contiguous to the UK, such as Denmark, and the Netherlands.

The Irish Government has recently announced the opening of its third round of oil and gas licences, and it is possible that Enterprise might be interested in obtaining some interests in the Irish sector of the Celtic Sea.

Next Wednesday Enterprise will be revealing its first report and accounts, with details of its results for 1983. This will give the City a clear and up to date impression of the earning power of Enterprise's producing oil fields and will thus help the financial community to assess the value of the company's assets in the run up to flotation.

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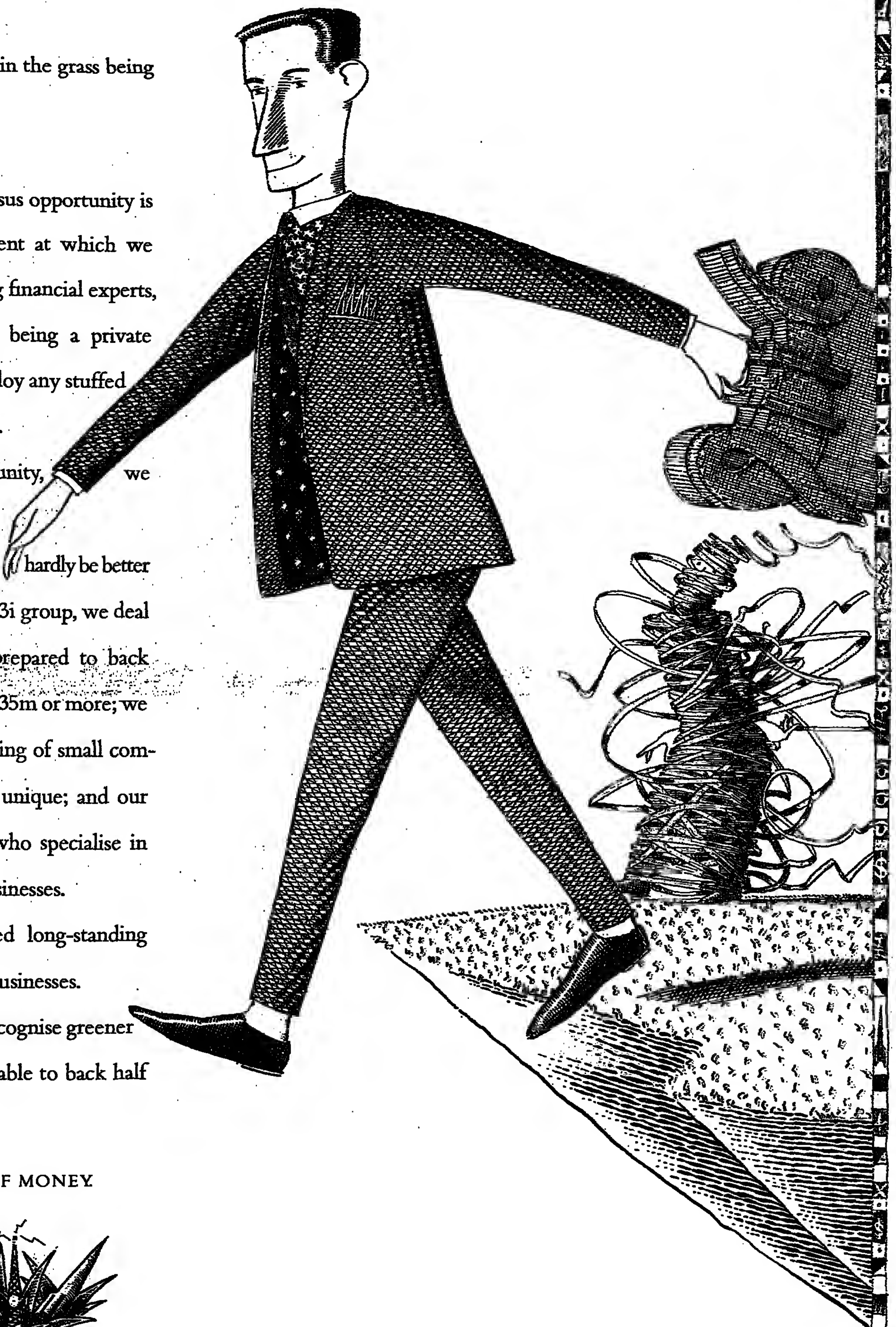

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UK NEWS

Rhondda switches roles as the coal runs out

Robin Reeves, Welsh Correspondent, looks at the impact of the closure of coal mines and the efforts being made to develop new industries in one of the poorest parts of the UK

SEVENTY YEARS ago the Rhondda Valley in South Wales was one of the world's most concentrated coal mining areas. Now the last pit in the Rhondda, Maerdy, which only 10 years ago was promised a further 100 years of life, is to cease winding coal by the end of this year.

In the 40 years up to the First World War the Rhondda was transformed from a scattered rural community into a crowded, cosmopolitan, yet close-knit society of more than 150,000.

People poured into what has been described as a vast Black Klondyke from all over Wales and parts of Britain. In 1913 more than 40,000 miners produced 9.5m tonnes of coal from some 60 collieries for export around the world.

But the Rhondda's decline was equally spectacular when the markets for steam coal collapsed in the 1920s and 1930s and unemployment soared to more than 40 per cent.

Many of the miners' leaders to whom Mr Arthur Scargill, the president of the National Union of Mineworkers, has admitted he looks back for renewed inspiration emerged from the turbulent period in the Rhondda history between the two wars, when miners resisted moves to cut back their livelihoods.

Coal mining ceased to be a main activity in the Rhondda in the 1960s. Today there are 5,500 people unemployed and the problem would be a lot worse but for the fact that 10,000 people commute from the Rhondda to work every day.

The ugly coal tips have all gone, thanks to a sustained land reclamation programme over the past 20 years, which has restored the surrounding hills to their former glory.

In the absence of any important new initiative – and there are no signs of it forthcoming – many more will be condemned to leave the Rhondda in search of work. The population has declined from a peak of 169,000 in 1925 to 81,000 today.

The Rhondda's case for special help from the Government has been eroded by equally pressing problems elsewhere. In the circumstances, the emphasis of the Welsh Office has been on saving what industry there is. The A. J. Gooding Group squeezed £1m out of the Welsh Office Industry Department to rescue Porth Textiles, the Swan Christmas decorations manufacturer, from the receivers.

Bramber Engineering, another long-established Rhondda employer, has received Welsh Development Agency help to modernise and expand its coil and leaf spring production. The investment is paying off handsomely, with a boost in sales.

Mr Scargill: inspiration from Rhondda

Encouraging industrial growth within the valley is behind the Rhondda Borough Council's programme of building small factory units. Exciting most interest at the moment is a project to make use of the Rhondda's unique history by turning Tymawr Lewis Merthyr into a museum. A feasibility study by the Welsh Development Agency has urged a large-scale multi-million-pound scheme with the aim of attracting 10,000 visitors a day. Anything less ambitious, it suggests, might not get off the ground since the Rhondda is off the tourist track.

A great deal of industrial training is also taking place with help from the Manpower Services Commission. Training covers subjects from engineering to fibre optics, solar energy and digital controls.

In short, the Rhondda has far from thrown in the towel. Indeed, Mr Dick Newman, chairman of the Association of Rhondda Industries and a former mayor, is an optimist.

He believes that with the growth of a dozen of the valley's small companies into medium-sized enterprises over the next decade, the struggle against unemployment problem will begin to be won. Mr Tony Roberts, the borough industrial development officer, also refuses to be downhearted. "We have got more going for us than Toxteth or Brixton, and a sense of identity and purpose."

Mr John Morgan is a comparatively rare phenomenon for the Rhondda. He started Applied Screen Print in an old school meals kitchen 10 years ago. Today the company, which produces high-quality screen prints on glass and acrylic, mainly for the gaming and leisure industries, employs 50 people and has a turnover of £1.25m.

He has never considered moving his business out of the Rhondda. "This valley is important to me. For all its problems, the people are marvellous," he says. By way of illustration, he emphasises that for the past three months his workforce has happily switched to two 12-hour shifts a day, six days a week, to meet an upsurge in orders.

Applied Screen Print is one of about 150 businesses from which the Rhondda is having to build a new economic future in the aftermath of coal. Many, like John Morgan, are firmly committed to the valley in so far as it lies within their control. They are quick to pay tribute to the hard work and loyalty of their staff. But building a new Rhondda economy is not easy.

The private sector alone is never going to solve the Rhondda's problems. On most measures of social deprivation across England and Wales, the Rhondda comes near the top of the list. At the last count, some 17 per cent of households were still without an inside lavatory and 12.5 per cent without a bath. A report just published by Mid Glamorgan health authority revealed that death rates among babies born in the Rhondda are 50 per cent above the national average.

"I am tired of people talking about the problems of a declining coal industry. They do not seem to realise that it has gone – 20 years ago," says Mr Morgan.

Irish churches in the thick of unity argument

SOME THINGS are best left unsaid in Ireland unless you are very sure of your company. One is that dairy farmers are over-subsidised. Another is that the Roman Catholic Church stands determinedly blocking the way to Irish reunification.

Many people reading the submission to the New Ireland Forum from Ireland's Catholic bishops, and the transcript of the public session where they later gave evidence, may find the second statement painfully obvious.

Some Catholic priests appear to find it painfully obvious. But for some reason, perhaps connected with the church's perception of its waning influence, it cannot be said openly.

The churches in Ireland on both the Catholic and the Protestant side, north and south, confronted daily with evidence of their inability to meet the needs of their people and, consequently, of their declining influence, appear to be heading for a period of internal criticism and upheaval.

The churches, according to clergy on both sides, merely mirror the fragmentation of Irish society; they do nothing to heal it and may even exacerbate it. According to Declan Deane, a Catholic priest at the forefront of the ecumenical movement, the churches readily accept the segregation that is becoming ingrained in Northern Ireland and are content to leave ecumenism to archeological societies, nursing homes, Alcoholics Anonymous and pigeon breeding societies.

"If you want an ecumenical spirit," he writes in the latest edition of the liberal Catholic monthly, Doctrine and Life, "you do not look to priests, ministers or preachers for it – you look instead to the ward sisters, the pigeon fanciers and the drunks."

In similar vein, Canon Eric Elliott of Belfast, a member of the Church of Ireland delegation to the Forum, blames the Church for deepening the sectarian rift: "We have contributed to the troubles. We are partly responsible for the differences."

The contribution of the Catholic bishops to the Forum caused something of a sensation at the time. While nodding in the direction of separation of church and state, they made it clear that whatever political influence was left to them would be used to the utmost.

Dr Cahal Daly, the influential Bishop of Down and Connor, insisted that the church would not seek to make its moral teachings the criterion of constitutional change, or to have the principles of its faith enshrined in the law. It did, however, claim "the right to alert the consciences of Catholics to the moral consequences of any proposed piece of legislation."

Separation of church and state did not mean that voters should leave their consciences behind when they went to the polling booth, "and we must have the right to carry out our duty to impart the moral convictions, the moral teachings of our church to our own members," be said.

So much for pluralism which, when discussed by Catholic clergy, appears almost inevitably to narrow down to topics such as abortion, contraception and divorce. On all of these, the bishops made it clear that they would oppose changes in the law.

While many Protestants, north and south, see pluralism in broader terms, they also see these three issues as symbolising the Catholic church's determination to hang on to its political influence wherever possible.

Inevitably, they cite the active role played by the church in the campaign to write the ban on abortion into the Irish constitution, as evidence of its power.

"They are wrong to do so," says one liberal Catholic priest. "This was the church's last hurrah – flexing its muscles on the one issue where it was sure to win. It is losing its grip. In 15 to 20 years, it will have lost all political influence, there will be a majority in favour of abortion, and we clergy will have a much smaller role." He points out that only a minority bothered to vote in the recent abortion referendum. Protestants have not failed to notice, however, that only a much smaller minority dared to defy the church.

Priests in urban centres such as Dublin, Belfast and Cork report the emergence of a strongly anti-clerical generation. Young people, they say, are leaving the church and, more significantly, not coming back when they become parents.

Middle class Catholics in Dublin are beginning to send their children to non-denominational schools.

In working class West Belfast "marriage is going out of fashion," according to a local priest.

An interesting study recently commissioned by the Bishop of Cork and Ross reported a deep rift between church and laity, aggravated by impossibly high expectations of the church on the part of the laity, and the siphoning of church resources to the "more competent and better off" while the poor and needy were left to the care of the state.

But urban Ireland is not rural Ireland, and while the Catholic church's influence may be waning, it would seem still to have a long way to go before it can be dismissed as politically insignificant.

Although the churches are organised on an all-Ireland basis, they reflect the north/south divide. Northern Catholic clergy, not surprisingly, are more publicly committed on the constitutional issue than those in the south; more aware that northern nationalists feel that the south in general, and the church hierarchy in particular, have lost interest in them. This may explain the ambivalence of northern-based church leaders such as Bishop Daly of Derry and Cardinal O'Fiaich on the morality of supporting Sinn Fein.

But the gap is even more pronounced on the Protestant side. A wide gap exists between the Church of Ireland, largest of the Protestant denominations, and the Presbyterian Church, which is slightly larger in the north.

An even wider gap seems to exist between southern members of both, who are extremely reluctant to be drawn into the constitutional argument or to be regarded as supporters of Unionism, and northern members, many of whom equate Unionism with Protestantism.

Southern Protestants, while they may deplore the political influence of the Catholic church, are often embarrassed by the Protestant Orange Order and disturbed that it still carries considerable political clout in the north.

So far, most of the criticism of the role of the churches comes from within. In the north, most leading Unionist politicians are either clergymen or church elders. In the south, no politician who aspires to power could afford to take on the Catholic hierarchy. But the climate may be changing.

This month's edition of Magill, Ireland's leading current affairs magazine, carries an outspoken attack on the church by columnist Eamonn McCann. "The Catholic hierarchy in the southern state has the market for snake oil sewn up," he writes. "It is on this that its prestige, power and fabulous wealth is based. Its primary aim, the only thing its members think about night, noon and morning, is how to protect and preserve that power ... it has no body of solid belief, only material interest."

Many Irish citizens might privately endorse the view, but would certainly put it in the category of things best left unsaid unless you are very sure of your company. The fact that a fairly conventional, mainstream periodical saw fit to publish it is a straw in the wind.

● The concluding paragraph in yesterday's article on the rise of Sinn Fein should have read: "The main factor (in determining Sinn Fein's electoral performance) is likely to be whether steps are taken to convince the nationalist minority that Northern Ireland is their state too, and that they have as much of a role in it as anyone else."

In the second of three articles on Ireland and the efforts of the New Ireland Forum to reconcile aspirations to unity, Margaret van Hattem reports on the position of the church. She finds it confronted with evidence of its inability to meet the needs of the people.

Shipping rates recover ground

BY ANDREW FISHER, SHIPPING CORRESPONDENT

WORLD shipping freight rates reached their highest level for nine months in March, according to the General Council of British Shipping (GCBS).

But they were still less than half the peak levels seen four years ago. The patchiness of this year's gradual recovery in shipping markets was demonstrated by a renewed rise in the volume of tonnage laid-up for lack of business.

Around 12 per cent of world merchant tonnage was idle at the end of February, the GCBS reported. This was a total of 82.8m deadweight tons, some 3m dwt more than in the previous month.

The GCBS expressed the hope that the reversal in the declining laid-up trend was only temporary. The total of idle shipping has come down since last May from a record level of nearly 100.5m dwt.

February's rise, commented the GCBS, "demonstrates once more the general weakness in world shipping markets." The increase was entirely accounted for by tankers, of which 60.3m dwt were idle at end-February (19 per cent of the total) against 56.9m dwt the previous month.

The improvement in freight rates showed through in a nine point rise in the GCBS's own tramp trip charter index to 106 at the end of March.

This index (1976 = 100), which measures single voyage rates, has been around or below the 100 mark for much of the past two years.

Its highest point was 275 in April 1980. It fell below 200 in the summer of 1981 and below 100 a year later. There was a modest recovery early last year, which left the index at 111 in June 1983.

Rates for charters of several months or more have also picked up this year. The first quarter saw a rise to 117 from 103 in the final quarter of 1983 in the GCBS's tramp time charter index.

Again, this still left the index at less than half the level of three years ago.

IDLE WORLD TONNAGE
(m dwt)

	Dry cargo	Tankers	Total
Dec 31 1981	2.9	24.5	27.4
Dec 31 1982	23.6	60.1	83.7
May 31 1983	25.4	75.1	100.5*
Dec 31 1983	23.0	56.5	79.5
Feb 29 1984	22.5	60.3	82.8

*Peak laid-up total
Source: General Council of British Shipping

Shell plant's future assured for decade

BY CARLA RAPOPORT

SHELL CHEMICALS UK said yesterday that the future of its production facilities at Carrington, near Manchester, was assured for at least 10 years. The division, which employs around 1,150 workers, has been under threat of closure for some time.

Carrington, which is one of Britain's largest chemical sites, makes a wide variety of industrial plastics and has been making losses for nearly three years. Shell officials said, however, that the division had returned to profit in recent months because of improved sales volumes and prices and heavy rationalisation.

Huntsman Chemicals yesterday announced that it was to buy one of the Carrington units which Shell had intended to shut down this year. Huntsman Chemicals, a privately owned U.S. group, said it would be buying Carrington's crystal and tough polystyrene production facilities for an undisclosed sum. This figure is believed to be about $5m.

The move will salvage between 40 and 50 jobs at Carrington and msy provide more because Huntsman intends to invest "many millions" in the UK plant over the next few years.

Results, Page 19

De Beers

Some of the ways we have shaped and strengthened the diamond industry.

Mr H. F. Oppenheimer's Statement for 1983

The year 1983 was considerably better than 1982. However, the early promise of a return to normal conditions which I reported in my last statement was not fully realised and the market for the larger, better quality stones remained weak throughout the year.

The book value of our diamond stocks increased by R421.6 million (of which R223.4 million was due to the change in the Rand/Dollar exchange rate) to a total of R2,253.9 million. Measured in United States Dollars, the currency of sale, the increase was $163 million to a total of $1,852.3 million.

De Beers' profits, including its share of the retained profits of associated companies — but before our R5.7 million share in the extraordinary profits of associates — were R530.2 million or 147.4 cents per share, that is 20 per cent more than the R442.5 million

Oval cut

earned the previous year. Excluding its share of the retained profits of associates, profits were R303.4 million or 84.3 cents per share compared with R202.5 million or 56.3 cents per share, an increase of 50 per cent. While the high level of stocks calls for a conservative distribution policy, in view of the substantially improved profits the Board decided that a small increase of 2.5 cents in the final dividend was justified, resulting in a total distribution of 40 cents per share against 37.5 cents in 1982.

Further signs of improving markets

Sales by the Central Selling Organisation (CSO) for the year at $1,599 million were $342 million or 27 per cent more than in 1982. Retail sales were also better than in either 1981 or 1982 and the Christmas trade in the United States was particularly good. The year 1984 has started well and there are now some signs of a shift in demand upwards from the small less expensive goods to medium quality diamonds. But while markets are generally better the demand for the large stones of good quality is nevertheless still restricted. Many of our customers suffered severe losses during the depression years and are naturally cautious about holding stocks of high quality goods, particularly at a time when real interest rates remain exceptionally high. Moreover the banks who were perhaps unduly ready to provide credit during the boom years are now being extremely careful in making advances. Stocks of diamonds in the cutting centres and bank indebtedness have been sharply reduced so that the trade is in a much better position from which it should be possible to expand the current level of business with safety.

The 50th anniversary for DTC

This year we celebrate the fiftieth anniversary of the formation of The Diamond Producers Association and of The Diamond Trading Company. The organisation which was then created for the marketing of diamonds in a manner which would protect the interests of the whole industry has proved itself both in good times and bad. After the very severe test of the last few years the CSO finds itself in a strong position. There has never been a time during the period of more than fifty years that I have been in the diamond industry when the proportion of the total world rough diamond production marketed through the CSO was as high as it is today.

Our relations with the major producers outside the De Beers Group continue to be very good and it is generally appreciated that the willingness and ability of our organisation to hold large stocks through very difficult times has been and remains essential for the wellbeing of the whole industry. We are therefore in a good position to maintain a firm base for the rough diamond market while at the same time showing, to the extent compatible with our basic objective, flexibility in meeting the individual needs of our customers in order to help them to regain what has been lost and to move forward on a sound basis to a new level of prosperity.

Large stones - can only become rarer

The demand for the small, lower quality goods, is now at a high level and the trade as a whole can only be expanded through an increase in demand for larger sizes and better qualities. This process has already begun but it will have to go much further before full prosperity can return to the industry. Our sales promotion this year will therefore give special emphasis to the upper end of the market. It is natural that this part of the trade should suffer more from the effects of general business recession and high interest rates than business in small sizes and lower

Pear cut

qualities, of which the greater part are used in the manufacture of comparatively inexpensive jewellery for which the market is naturally wider.

In the long run, however, there is good reason to have confidence in the attraction and value of the larger stones of high quality. While there have, in recent years, been a number of important new diamond discoveries, the great bulk of these new productions consists of below average quality stones. The production of the larger and more valuable diamonds comes mainly from the old established mines whose output is less than it was in the past and is continuing to decline. The large good quality diamonds, therefore, can only become rarer and should increase in value. While the restricted demand for these qualities is an immediate and serious problem, it is one which,

Brilliant cut

provided the CSO keeps a firm grip on the market in times such as we have been going through, is bound to solve itself. I am not, therefore, unduly concerned that De Beers should hold substantial stocks of these qualities and am indeed confident that, as has happened more than once in my experience, our present difficulties will eventually turn into important profit-making opportunities.

Industrial profits rise - in the face of strong competition

Conditions on the industrial side of the business improved considerably during 1983. This improvement was, however, concentrated in synthetics, though the volume of sales of natural industrial diamonds also increased. For the first time sales of synthetics exceeded $100 million and the profitability of the Group's three diamond synthesis factories in South Africa, Ireland and Sweden, improved substantially. This was a considerable achievement since, in the face of strong competition, sales prices tended to decline over the years and the increased profits were attributable to the use of more economic synthesis processes and improved manpower utilisation.

The tendency for industrial demand to move increasingly to synthetics may become a problem when the large Argyle mine in Australia comes into full production, since this mine will be a particularly large producer of industrial qualities. It is an important task to work out plans to meet this marketing situation and the CSO is well placed to tackle it.

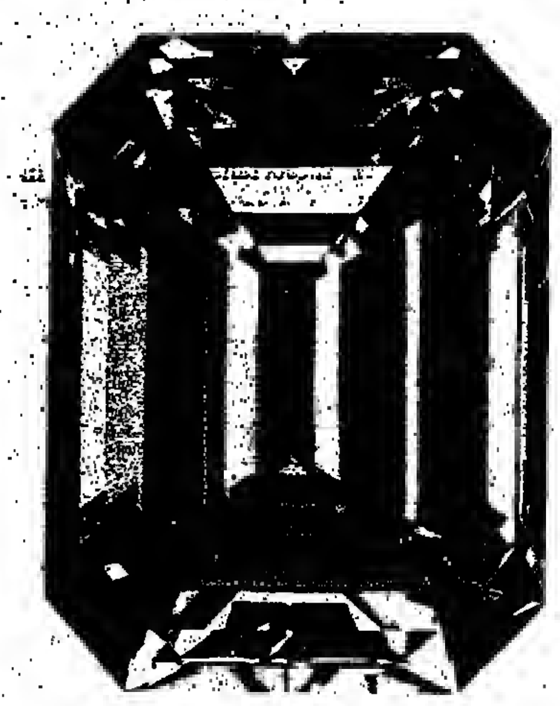
Diamond production from the mines of the Group, including Debswana which is owned in equal partnership with the Government of Botswana, totalled 21,349,522 carats, compared with 17,399,815 carats in 1982. The main reason for the increase was that the first full year's production, amounting to 5,852,998 carats from the Jwaneng mine exceeded the 1982 production from this source by 3,231,355 carats. Operations at this highly important new mine are going exceptionally well, both in respect of grade and recovery, and a further increase in production is expected in 1984. Production from the Kimberley Division mines rose by 964,766 carats to 6,127,947 carats, owing to a substantial increase from the Finsch mine, offset, to some extent, by a small decrease from the old Kimberley mines. At the other mines of the Group there was a small increase at the Premier mine and small decreases in Namaqualand, CDM and Orapa.

Prospecting continues

Expenditure by the Group on prospecting during the year was R41.4 million, a reduction of R1.8 million from last year. Work was continued in South and Central Africa, Australia and South America. It has unfortunately been found that the kimberlites on the farm Venetia in the Northern Transvaal, to which I referred in my last statement, are not viable in present economic circumstances. However, more work on these deposits is to be carried out.

Two prospecting concessions off the Namaqualand coast were granted to the Company during the year and preliminary investigation of these concessions is in progress. In South West Africa/Namibia intensive prospecting was continued with encouraging results along the north bank of the Orange River and in the old German mining areas south of Luderitz. Systematic sampling of the ocean floor off this coast was also continued. A special effort is being made in this whole area in the hope of being able to extend the life of the CDM deposits.

The Company, by contributions made to the Chairman's Fund for improved facilities for technical education and to the Urban Foundation, as well as through its own important training and development programmes for employees at all levels, is playing a significant part in improving the environment in which it works and in



Emerald cut

providing employment and advancement opportunities to men and women of all races on equal terms. All this is being done in accordance with a continuing long-term policy and I can report that highly satisfactory progress was made during the year.

The value of our investments outside the diamond trade at 31st December 1983 amounted to R3,278 million. Income from these investments in 1983 amounted to R161.7 million, an increase of R12.7 million over the previous year. It is interesting to note that this income was well in excess of the cost of our ordinary dividends for the year.

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BUSINESS LAW

Trusteeship: Mr Scargill's lost case

By A. H. HERMANN, Legal Correspondent

IF MR Arthur Scargill's pension fund case* did not enhance the law of trusts in any great way, it demonstrated at least thet a layman can lose in the courts as easily as counsel; particularly when be relies on a legal formula which does not fit the reality of the situation.

The case concerned the investment policy of the £3bn Mineworkers' Pension Scheme, and was brought by the five trustees eppointed by the National Coal Board against the five trustees appointed by the National Union of Mineworkers.

Mr Scargill and his fellow trustees from the NUM refused to countenance any investment abroad, whether in land or in industry, and any UK investment in sources of energy which could compete with coal, particularly the oil industry. Indeed, they demanded that such investments, made in the past, should now be reduced. The other trustees complained that, by following this policy, Mr Scargill and his friends were not ecting in the best interests of the beneficiaries of the pension fund and asked the court to direct them to approve a pension scheme which disregarded these restrictions.

It is not so long ago that the trustees of the British Museum† came before the same judge, the Vice-Chancellor, Sir Robert Megarry, and asked to be relieved of the constraints imposed by the Trustee Investment Act 1961 and of the interpretation put on it by the decision in the *Kolb's* case‡. To put it briefly, the *Kolb* decision said thet the powers given to the trustees by the Act should normally be sufficient, and should only be extended by the court under the Variation of Trusts Act if there were special circumstances.

The Vice-Chancellor granted the application, and considerably relaxed the limits binding the British Museum trustees. Whereas Mr Scargill pleaded for the spread of investments to be narrowed, the Vice-Chancellor decided that the larger the fund the greater should be the spread of risks allowed to the museum's trustees.

With the very great importance which pension funds have in the allocation of investments in the national economy, it is possible to argue thet the funds should be administered in conformity with the public interest and not solely for the benefit of the pensioners. This, of course, immediately raises the questions of whether the trustees are the best persons to judge the national interest and, indeed, whether it is desirable to take the investment decisions out of the market and put them in the hands of a central planning commission. There is no doubt that the courts would refuse to embark on legislative activity of such magnitude, but Mr Scargill could at least have made an important point and started a discussion about the real issue underlying the pension fund dispute.

However, Mr Scargill did nothing of the sort. He tried to behave as a lawyer rather than as a politician (and was praised by the Vice-Chancellor for his courtesy and competence), and pleaded that be and his friends attended to the business of the fund with an open mind and the sole concern for the greatest benefit of the pensioners, widows and orpbans. On that narrow basis it was child's play to defeat him: the fact that the restrictions on the investment policy of the fund were dictated by a resolution of the NUM conference, and that Mr Scargill repeatedly declared that this policy was not negotiable, easily disproved his assertion of open-mindedness.

There still remained the possibility of proving that, though preconceived and imposed by the union, the restrictions were for the ultimate good of the beneficiaries. To do this it would have been necessary to show first that the pension fund depended on the commercial success of the National Coal Board and second that the withdrawal of investments from competing industries could assure such success.

On the first point, it can be said in favour of Mr Scargill's argument that if the NCB fell on hard times it might be unable to continue its voluntary payments to meet the cost-of-living increases in pensions. However, the judge found thet this was only a remote possibility and attached far greater importance to the fact that the pension scheme was fully funded so that the benefits would continue unaffected by a possible shrinking of the coal industry.

As to the second point, namely, whether a shift of the fund's investments would affect the future of the industry, the judge thought the connection to be "too remote and unsubstantial." Indeed, one might add that any promosing investment opportunities bere or abroad, scorned by the Mineworkers' Pension Fund, would be quickly taken up by other stock market investors.

Though these were the two main elements in Mr Scargill's defeat, the Vice-Chancellor's judgment increased somewhat the flexibility of the notion of the "beneficiary's interest." A trustee's fiduciary duty was strict, to the point of having to do even what be considered dishonourable, like gazumping, if it was in the best interests of those whose welfare had been entrusted to his care.

However, "benefit" was a word with a very wide meaning, said the judge, and there might be circumstances in which financial disadvantage of the beneficianry might yet be for his benefit. Thus "if the only actual or potential beneficiaries of a trust are all adults with very strict views on moral and social matters, condemning all forms of alcohol, tobacco and popular entertainment, as well as armaments, I can well understand that it might not be for the 'benefit' of such beneficiaries to know that they are obtaining rather larger financial returns under the trust by reason of investments in those activities . . .".

Here, the Vice-Chancellor opened the door a little, but not enough for Mr Scargill to pass through. Unlike e church or a temperance society, the NUM cannot be defined as a society inspired by a single and uniform belief.

Surprisingly, one argument against the restrictive investment policy proposed by the NUM was either not put forward or is not reflected in the judgment. It is that workers who invest a substantial part of their savings in the enterprise employing them risk not only their jobs but also their savings should the employer go bust.

Similarly, it can be argued that the best way in which a mineworkers' pension scheme can provide against the consequences of the possible demise of the coal industry is to invest in competing industries such as gas and oil, which are likely to prosper on the ground vacated by coal.

** In re Mineworkers' Pension Scheme Trusts Cowan and Others v Scargill and Others Judgment April 13, 1984. TLR April 16, 1984*
‡ Re Kolb's Will Trusts [1962] Ch.531
† Trustees of the British Museum v H.M. Attorney-General Judgment October 24, 1983. See this column January 19, 1984

COMPANY NOTICES

UK NEWS

Reuters steps up efforts to sell shares overseas

BY CHARLES BATCHELOR

REUTERS, the international news agency and business information group, is stepping up its efforts to sell its shares to investors outside the UK to counteract any boycott by British institutions.

Apart from the proposed listings in New York, Reuters is now canvassing support from investors in the Far and Middle East and continental Europe. It is unclear whether this will lead to it seeking a third listing in Hong Kong or Singapore.

Reuters sells its services worldwide and would therefore be familiar to many overseas institutions.

Both the National Association of Pension Funds (NAPF) and the British Insurance Association have advised their members against underwriting next month's proposed public flotation of Reuters while the NAPF has also urged its members not to subscribe to the issue.

A large number of the member institutions of these two organisations are believed to have said they will support the call for a boycott.

"It is difficult to think of another issue which is so vital to how institutional investors go about their job," commented one investment manager.

Reuters has shown no signs of altering its plans for the flotation and details of the new trustee agreement, which guarantees its independence, have been completed in the past few days.

The two organisations are opposed to the Reuters plan for giving its existing newspaper shareholders greater voting rights than will be attached to the shares to be sold to the public.

While the institutions believe their boycott will hold, analysts expect many will sit on their hands until the publication of Reuters' prospectus in mid-May. Then, if the company's commercial prospects look good enough they expect many will drop their objections.

Reuters and its advisers say the share structure, needed to maintain the company's independence, was expected to reduce market value, but they were surprised at the strength of the institutions' reaction.

The unequal voting structure of Reuters is not expected to bother U.S. investors, but all overseas investors can be expected to take their lead from those in the UK. A significant boycott in Britain would damage the company's prospects abroad, one analyst said.

The pre-launch secrecy imposed on Reuters by the Securities and Exchange Commission in the U.S. is making it difficult for UK stockbrokers to value Reuters.

Analysts who have followed the company closely expect it to achieve a price-earnings ratio of about 23-25, valuing it at under the £1bn ($1.41bn) figure initially set as the lower limit of its worth at the flotation date.

Reuters' newspaper shareholders, ranging from large groups such as Associated Newspapers, publishers of Britain's Daily Mail, and Fleet Holdings, publishers of Britain's Daily Express, to small English provincial groups are being asked to phase the sale of any shares they offer to the public.

Reuters and its advisers want to avoid flooding the market with shares and they also want to ensure that both small and large shareholders get a fair price.

Marconi in £100m deal

BY LYNTON McLAIN

MARCONI DEFENCE Systems has been chosen as prime contractor by the Ministry of Defence for £100m of electronic warfare equipment for Royal Air Force Harrier aircraft.

Almost 30 per cent of the contract, about £30m worth, has been awarded to the U.S. Northrop Corporation. Northrop will make the transmitter for the Zeus electronic countermeasures system to be fitted to the Harrier, at its Chicago factory.

Marconi Defence Systems said yesterday that the Northrop contribution was "the single most important part of the contract."

In Britain the Marconi contract will provide work for up to 500 people at Marconi Defence Systems factories. The contract will also involve work for more than 100 suppliers, the company said.

THE ARTS

Studio gift for National Theatre

Ed Mirvish, the Canadian who bought and restored the Old Vic at a cost of £2.5m, has handed over the theatre's annexe for five years for use as a studio by the National Theatre.

NT director Sir Peter Hall announced the gift yesterday at a lunch for patrons whose money will be used to run the studio. Actors will learn their craft there and the work of new young writers will be developed. Peter Gill, a NT director, will run the studio, which will forge a new link between the South Bank complex and the Old Vic where the National Theatre had its beginnings.

Sir Peter Hall said of the studio: "Out of it will come the National Theatre of tomorrow."

Greek Revival theme for Buxton festival

As in the five previous Buxton festivals the 1984 event, to be held from July 28-August 12, contains an evocative theme: the Greek Revival. The festival will celebrate Greece, ancient and modern. In the sphere of opera Buxton's own company will present three new productions, two based on the myth "Jason and the Argonauts"; *Medea* by Luigi Cherubini and *Jason* by Francesco Cavalli. A new children's opera, *Robin Hood* by Norman Kay will be premiered.

Buxton Festival's orchestral concerts this year include the Société Générale's Celebrity Concert with the Royal Liverpool Philharmonic Orchestra under Günther Herbig with Anne Queffélec.

Hedda Gabler/Almeida

Martin Hoyle

This agonisingly plodding evening makes a glum beginning to the inaugural season of the new Almeida Theatre Company. With a Hedda who is slow, charmless and wooden, apparently modelled on the theatre bar staff, and a production (Tim Albery) unable to decide between naturalism and the stylised, I can only wonder at the ill-advised choice of play.

Deborah Findlay has nothing to offer as Hedda, not even—to judge from the monotone in which she pipes most of her part—comprehension of the lines. Irony is beyond her, though at times she rises to the sulky sarcasm of a sullen punk denied a ticket to Duran Duran. Her attempts to hit the right social note are doomed. Exclamations like "My dear, I've been so desperately bored" sound like caricature. She is hardly helped by a hair-do less a pre-Raphaelite frizz than an attempt to look like Barbra Streisand after a rough night.

Alastair Muir

Deborah Findlay

The devoted Thea is played with a combination of lugubriously mournful intonation and an almost incessant smile, to sometimes inane effect, as when brightly droning that everything about her husband disgusts her. Mike Bradwell, known as a gifted director, gives us a portly Lovborg whose round-faced embarrassment recalls Rita Hunter in a beard and generates the air of wayward genius as successfully as a prosperous bookmaker sheepishly presented to royalty.

The production's twin pillars are Judge Brack and Tesman. As the former Donald Sumpter is for once young enough to be both attractive and dangerous. Sinister and saturnine, he almost makes nonsense of Hedda's panic at being blackmailed into a relationship. He nearly introduces the right sort of electricity into his early sexual duelling with Hedda single-handed. As her husband, Paul Jesson's chirpy, chippy, cheerful ineffectiveness covers a shrewdness that, one suspects, might cause the worm to turn in time: a funny and unexaggerated performance.

Lights brighten and dim during single scenes; a great red curtain sometimes does duty for a back wall, sometimes rises to show the drawing-room.

Christopher Hampton's translation is lively, though "the only bull in the ring" is no substitute for "the cock of the walk." Still, with a Hedda totally unable to provide any thread of consistent character ("Do it beautifully" emerges as blank and meaningless), the question of style is almost irrelevant.

Number One/Queen's

Anthony Curtis

Jean Anouilh is back in the West End with a new play, after how many years is it? And this one is not something that arrives via the Chichester Festival Theatre. It is a play you would have needed to go to Paris to see previously where it opened in 1981, to run for several years with Bernard Blier in the main part.

The original was called *Le Nombril* — the navel, the centre of feeling in the body, not a happy title for a potential West End hit. Michael Frayn, who has made quite a few radical alterations to the text, has changed it to *Number One* in the sense of "looking after number one"; the piece is a comedy about self-centred people; the circle of relations and dependants of a famous Parisian playwright.

He, poor man, is sick. He has terrible gout in one leg, high blood pressure, and has been told by his doctor he must give up smoking, drinking, anything that might over-excite his nervous system. They, selfish beasts, think only of themselves and plague him with requests for money and involvement in their affairs. Because he is a compulsive playwright he sees their selfishness as part of a continuing drama. He is mouthing and writing this drama throughout the play.

Alastair Muir

Margaret Whiting and Leo McKern

At heart the play is part of a continuing dialogue which Anouilh has had for half a century with the Parisian public about his own role as a theatrical entertainer. To try to make it work in London it has all been made broader, cruder and more obvious in this production, directed by Robert Chetwyn. The company are encouraged to ham the parts and milk the text for belly-laughs of which there are quite few.

Happily Leo McKern who plays the ailing playwright is an actor who is able to lift the piece out of the realm of pure farce whenever he has the chance, aided principally by Margaret Whiting as the termagent wife, Joe Melia as the sponging best friend, and Peter Blythe as the well-born son-in-law whose sang-froid in the face of desertion provides the one truly dramatic moment. For the rest of the time we must be content to watch Mr McKern stumping around the set, brandishing his stick, fulminating against his kith and kin, absorbed in the searing grief of insight as much as actual physical pain. Here is an old man's play, self-indulgent, yes, self-pitying, no; and worth seeing.

Beethoven cycle/Festival Hall

Dominic Gill

The unmistakable, crystalline piano sound of Maurizio Pollini dominated Wednesday's concert in the London Symphony Orchestra's continuing Beethoven series under Abbado. At their best the orchestra too, when Pollini is around, reflect his concentration and clarity: in the B flat second concerto the string textures attempted to match, and the attempt itself was stirring, something of his brilliant articulation—left-hand semiquavers like glittering cascades, treble melodies incisive as bell strokes.

In the adagio Pollini blurred the edges of his recitative-like arpeggios with the sustaining pedal, a thrillingly authentic gleam softly answered by the strings (why do not more pianists observe this quite unambiguous manuscript direction?). The finale was unerringly, almost unnervingly, faultless—such miraculous dexterity can paradoxically be even a shade, just a quicksilver shade, too perfect to be perfectly convincing.

That might sound merely ungrateful; but the very sheen of Pollini's playing at its most exquisite sometimes has a coolness which holds the music at arm's length. In Beethoven's fourth concerto, after the interval, there was a tiny fluff in the fiendish double-triplets of the first movement—and one warmed to the sign, for it spoke not just of reassuring fallibility, but of spontaneity and joyful tension. There was a light in this performance, a sense of strain and ardour, new to the evening.

From the first page it lifted off—there is no work in the whole of music in any case more quintessentially airborne—and stayed sublimely in flight, on straight and lofty course (though the composer's "alternative" first-movement cadenza, which for some reason Pollini chose instead of the familiar great one, is a weird gothic confection which badly dissipates momentum). The andante was the purest magic, an intimate, loving exultation; the last movement was an irresistible current of stratospheric good humour.

The fourth symphony, which came in between, was distinguished in parts. The great adagio, noble premonition of the ninth symphony, was strongly done; the outer movements, when it came to the point, lost nerve—suave rather than pungent. Winds were poor: horns had problems throughout; the solo bassoon badly flunked his moment of glory in the finale.

Down and Out/Latchmere

B. A. Young

Lou Stein's adaptation of Orwell at the Latchmere Gate has two narrators on stage, a young one (Simon Roberts) representing Orwell when he was going through the motions of being down and out, and an older one (Antony Higginson), working on his contemporary philosophy. As each character in the tale is mentioned, an actor gives a little cameo performance. Dominating the first half (Paris) is Michael Kilgarriff as Boris, the Russian refugee with a key to the depths of the catering business. In the second half (London), it is the tramp Paddy (Ronan Wilmot).

The book's points are quite sharply made, but this is not art. An adaptation must be a self-contained work of art on its own, able to stand without reference to its original. If it can't do that, it's no more than a dramatised reading.

We start with Orwell taking off his smart clothes (he wears a Merchant Taylors tie instead of an Etonian, which wouldn't matter except that in a latter scene he is specified as being an Etonian). Then he puts on the shabby kit in which he will melt into the background and begins the search for work in Paris which is displayed to us. In London he begins by borrowing some money from a better-off friend, then throws in his lot with tramps and beggars of sundry kinds, circulating with them to the "spikes" where they can sleep at minimal expense. As I recall it, the book is faithfully followed, though it seems odd that Orwell should have got on a train at Tilbury and ended up at Victoria.

To my mind, if the book is to be dramatised, it should be made into a real play, even at the expense of unfaithfulness to the original. People who want a genuine flavour of *Down and Out in London and Paris* can't do better than to read it.

John Field to leave Festival Ballet

Mr John Field, director of London Festival Ballet, has informed the board of governors that he does not wish to extend his engagement with the company after the present agreement expires in November 1984.

Pay your money and take your choice

Roy Strong on the debate over museum admission charges

Few events of more importance to the museum world passed by without public comment, as the decision by the Trustees of the National Maritime Museum to introduce admission charges from April 1. As there was no previous consultation with the Government before this dramatic move, hasty temporary measures ensued to ensure that the museum was able to hang on to its hoped-for loot. Meanwhile, the other national collections were left feeling more than somewhat aggrieved at the way one of their peers had stepped out of line without so much as a wave of the hand. Now everyone awaits the further statement from the Minister for the Arts on engendered revenues to be made in time for the submission of the annual estimates for 1985-86.

All this may seem a storm in a museum tea cup but I do not believe it is quite as simple as that. This introduction by one of our major national collections of charges is symptomatic not only of a change in public mood and ideology but also indicative of what is to come in the next few years.

What is more striking is the total absence of the mass hysteria evoked by Lord Eccless's imposition of charges at the beginning of the 1970s, which certainly resulted in the most embittered museum contest I can recall. It would be interesting to see whether that silence would still hold if other more important museums followed suite. What does this mean? In its crudest sense it embodies a triumph of Thatcherite principles: that is you get what you pay for.

Two other developments in the arts also reflect that attitude significantly and place the museum dilemma into its wider context. The first is the Arts Council's new policy document, *The Glory of the Garden*, which, while working from a premise of regionalisation, also moves from one that expects local individual input. If Bradford wants the National Theatre it not only has to produce a paying audience for it but also provide the facilities and contribute towards the visit from local authority sources.

Similarly the reconstituted Ancient Monuments Commission relabelling itself English Heritage (with a guarantee of holding on to its engendered revenues) seems set to develop along the lines of a government funded National Trust, thinking in terms of membership, commercialisation, and customer satisfaction. All this too is thoroughly reflective of the Tory principle of the individual and his right of choice.

Under this government the whole thrust has been to bring the virtues of the private sector into the public with a consequent blurring of the lines between the two. Inevitably sooner or later this would have an effect even on the slow-moving world of museums. It is significant that most prizes for the Museum of the Year Award have in fact been won by private museums as indeed it is noteworthy that charges have been initiated under the aegis of the first director to be brought into a national collection from that sector.

His background is totally different from that of the other national collection directors in being solidly of the pay-at-the-door fund-raising school. The others are civil service scholars and academics whose background and premises might be described as being more "protected." The shift is indicative and in the present ideological climate the argument against the imposition of entrance and other charges is progressively wearing thinner and thinner.

Placed in context this is hardly surprising for it is the one piece of a mosaic that remains missing from a picture which has been composed during the past decade in which there has been increasing pressure on museums to look to sources other than governmental ones for part of their funding. It began with the development of museum shops in the 1960s. Any visitor to one of our great museums knows the areas now occupied by these institutions. It is, and will be, ever growing. It has to be. Next came sponsorship. That has interlocked the national museums into the world of commerce as never before. Indeed, virtually no major exhibition can now be staged without a sponsor. In many ways this is a welcome development although it does painfully constrict the choice of subject and must have an inimical effect on, for example, private establishments such as the Royal Academy which now finds itself competing with state-funded organisations for exactly the same sponsors.

But it is not only temporary spectacles that require subsidy. It is also the permanent collections.

Nearly every national museum now runs an appeal to reinstall its galleries, looking to the private sector and to charities to achieve part if not the whole. Fund-raising organisations, formal or informal, are also an integral part of museum management which they certainly were not a decade ago. In short an important bridge is in the process of being crossed because all this means that government is no longer able to fund our national collections on the scale needed to keep either their fabrics in repair or their displays up to date.

It is not their fault altogether, either. Two facts always have to be borne in mind. The first is that museums grow (about 30,000 things a year at the V & A alone) and therefore require more and more space and staffing and new plant. The second — sharply highlighted of late — is that the old plant in so many instances is nearing the end of its effective working life. Our national collections occupy historic buildings and, although a brave face is put on it, any director will admit that he is faced with leaking roofs, crumbling masonry, deficient drainage, outmoded heating and ventilation and disintegrating electrical circuits.

Bearing this in mind it is extraordinary that governments of both political persuasions have for so long cheerfully blessed the never-ending schemes for expansion proposed by every national collection bearing in mind that the funds to ensure the well-being of the existing *status quo* are lacking.

It is also noticeable from what one hears that boards of trustees spend their time these days not haggling over works of art and other forms of acquisition but wrestling with the problem of money and how to lay hands upon it. Any analysis of the composition of boards during the past 10 years will also reveal a change in composition towards businessmen, artists, collectors, connoisseurs and academics towards the recruitment of tycoons and men from the City. Curatorial staff for the first time in their careers find themselves coming to grips with terms like "cost effective" and facing up to financial devolution as they find the departments they run designated "cost centres."

I have nothing against all this. Far from it. It is part of the climate of the times and one must move with it or sink. There will, of course, never be a time when our national collections will not have to be basically funded by central government.

No government would shirk the basic maintenance of what is part of the fabric of any civilised society. What has shifted, however, is the balance of expectancy. We may get the cake from government but these days it is now up to the museums to find the marzipan and icing. At the moment there is no incentive to do this which is why Lord Gowrie's pronouncement shortly to come is of such vital importance. Let us hope the Treasury will give us the incentive that we need to unleash energy and drive in terms of self-help.

Charging has another aspect. If people pay for something they expect value. I am not suggesting that seeing the Bernini or the dinosaurs for £2 a head is not value but I mean value in the sense of amenities and standards. Filthy loos, second rate restaurants, poor and outmoded display will no longer be acceptable. If the public could tangibly see their contribution put that right they might think very differently about dipping their hands into their pockets. All the pointers at the moment are in this direction, but it will be necessary in the end which will ultimately drive museums to it in an effort to solve some of the terrible problems they confront during the remainder of this century.

Arts Guide

Music/Monday. Opera and Ballet/Tuesday. Theatre/Wednesday. Exhibitions/Thursday. A selective guide to all the Arts appears each Friday.

April 20–26

Exhibitions

LONDON

ICA: William Morris Today – a documentary for the 150th anniversary of the sage's birth, celebrating his ideas and principles rather than his practical work in the arts and crafts. Morris was a romantic and visionary, one of the most important of British theorists of early, idealised Socialism; and if his vision has manifestly failed to be realised, it remains nevertheless in so many respects admirable and always honourable. He was a designer of genius, though a poor painter and indifferent poet – and in the longest run it is as a designer that his work will stand. Ends April 29.

The Tate Gallery: the Pre-Raphaelites. The extraordinary revival of interest of Victorian art in recent years, and its consequent rise in value, has made a proper critical re-evaluation long overdue; and now, with this copious and quite splendid exhibition, the subject is wide open. What had for so long been taken as merely a close and limited movement is clearly shown to be not so except in its earliest year, but rather a looser association of more general relevance. Millais, Maddox Brown, Holman Hunt, Rossetti and Burne-Jones all gain by the chance to be seen on their individual merits, and so emerge as substantial and consistent artists in their own right. The history of British art will never read the same again. Ends May 28.

PARIS

Italian Illuminated Manuscripts from 8th to the 18th century, 180 exhibits that include such treasures as an illustration of Petrarch's Triumph of Chastity retrace the development of the art of illumination from late antiquity to the Renaissance. Bibliothèque Nationale, All days 12am-6pm, ends May 30 (261 8283)

Camille Claudel: 70 sculptures accompanied by paintings, drawings and engravings prove the individuality of Rodin's pupil who, through her realism and, later on, a sense of the theatrical, found her own way. Musée Rodin. Closed Tue. Ends June 11 (705 0134).

Pierre Bonnard: an important retrospective of the painter whose canvases filled with colour and light glorify the beauty of the human body as he painted time and again Marthe, his wife, at her toilet, in her bath. His Mediterranean landscapes radiate the same joyous love of nature. Centre Georges Pompidou (278 7995). Closed Tue. Ends May 21.

Masterpieces of American Painting 1760-1910. More than 100 paintings – among them Whistler's Mother, Sargent's Madame X and Mary Cassatt's Impressionist work – span 150 years of American creation. The panorama of realistic portraits, dramatic landscapes, genre scenes and symbolist paintings culminating with Homer and Eakins and proves abundantly that the New World did not have to wait for the contemporary period to affirm a powerful identity of its own. Grand Palais (261 5410). Closed Tue. Ends June 11.

The Treasure of Saint-Mark: Throughout the centuries the Venetians have amassed priceless chalices, reliquaries, icons and liturgical objects from different periods and different sources, especially Byzantine ones to the glory of their patron saint and their proud city. Venetian goldsmiths were so influenced by the fabulous collections housed in their Basilica that they themselves became past masters of "Oeuvre de Venise" – a style and art of their own. Grand Palais, closed Tue, ends June 25 (261 5410).

Centenary of the Salon des Independants. 100 masterpieces from Cezanne, Van Gogh, Toulouse Lautrec to Max Ernst to celebrate the hundredth anniversary of the salon, which gave these, and scores of others, a chance to exhibit freely, unhampered by a jury's choice. Grand Palais. All days 10am – 7pm. Ends May 2. (225 8639)

WEST GERMANY

Tübingen, Kunsthalle, 76 Philosophenweg: The last venue of the roving exhibition with 100 drawings, water colours and gouaches from between 1910 and 1955 by by Fernand Leger. Ends June 3

Cologne, Wallraf-Richartz-Museum, An der Rechtschule: Fifteen paintings by six Dutch masters of the Utrecht school of painting dating from the 17th century, on loan from the Utrecht Zentralmuseum. Ends May 20.

Hamburg, Kunsthalle, 1 Glockengiesserwall: This is the only venue in the Federal Republic of a unique exhibition of drawings by Leonardo da Vinci, on loan from The Royal Collection at Windsor Castle. The fifty exhibits on the subject of nature and landscape are part of the large collection of roughly 600 drawings by the Italian master owned by the British Royal family. Ends May 6.

Essen, Villa Huegel: the former residence of the Krupp family, now an arts centre, presents treasures from Peru – among them more than 500 priceless exhibits never shown before outside the country. The 800 artefacts, from 2,000 BC, beautifully document Peru's cultural development. Ends June 30.

Bonn, Kunstverein: An exhibition of 300 works of art and many documents illustrating the development of Dadaism. Ends May 6

Düsseldorf, Kunsthalle: Ahead of Paris, Bordeaux and Jerusalem, which will shortly open Anselm Kiefer exhibitions, Düsseldorf has now staged a show with 40 oil paintings, 60 watercolours and 12 book objects from the last 10 years by the Austrian expressive painter. Ends May 5.

Munich, Residenz: to highlight German-Italian cultural collaboration, a comprehensive Marino Marini exhibition under the joint aegis of the Italian President Sandro Pertini and the Federal President Karl Carstens has been opened. The show, among whose exhibits are more than 45 sculptures, 40 paintings, and 60 drawings, offers a survey of the graphical work of the artist. The exhibits are chiefly on loan from Marini's widow and have not been shown abroad before. Ends May 1.

Hanover, Forum des Landesmuseums: Indian Art Treasures has 124 stone sculptures, miniatures and bronze and ivory works from 200 BC to 1900 AD. Ends May 6.

Berlin, Akademie der Künste: the only German venue of the much acclaimed Willem de Kooning exhibition, comprising 100 paintings, 120 drawings and 25 sculptures by the U.S. artist. Ends April 29.

ITALY

Rome: Accademia di Francia (Villa Medici): In 1884 Claude Debussy won the coveted Prix de Rome, which allowed artists and musicians to study in Rome for two years. He said ungratefully: "Rome is a really ugly city, full of marble, fleas and boredom". He described his room in the entrancing Villa Medici as an "Etruscan tomb". The city, forgivingly, celebrates the centenary of his stay with an exhibition, Debussy and Symbolism. His symphonic poem, La Mer, was composed while staying at Fiumicino near Rome. Ends June 2.

Milan: La Rotonda. Delightful exhibition of over 1,500 toys dating from 1750 to 1960. Until June.

Florence: Forte Belvedere: In the enchanting background of Michelangelo's fortress, overlooking the city are 40 works in varied styles and mediums representing 30 years' work by the painter and sculptor, Michelangelo Pistoletto. (Until End of April).

Venice: The international art-dealer's fair at Palazzo Grassi includes Castelli of New York, Sotheby's from London, Amman from Switzerland and Denis Rene from Paris. Ends May 1.

NEW YORK

Picasso: The Last Years (Guggenheim): A show of one per cent of Picasso's last decade of work still has 200 pieces in it, showing a restless spirit trying to capture the last personal vision by dint of sheer energy working at a furious pace. Ends May 6.

Painting in the South (National Academy of Design): Nearly four Centuries of work from the American South in 110 paintings include Charles Willson Peale, Winslow Homer, Edward Hopper and Arshile Gorky. Starting with a watercolour, Indians Dancing Around a Pole, from 1585, the show covers the gamut of genres from seascapes and landscapes to portraits and modern works to 1980. Ends May 27.

WASHINGTON

German Expressionist Sculpture (Hirshhorn): This is the first comprehensive look at works in plaster, bronze, wood and porcelain from the first two decades of this century in Germany. Included in the show of 33 artists and 120 sculptures are Max Beckmann, Emil Nolde, Wilhelm Lehmbruck and Ernst Barlach. Ends June 17.

BRUSSELS

Treasures for the Table: Gold and silverware, porcelain and glass from Vienna, Paris and Brussels, including part of the solid gold service made for the Empress Maria Theresa and Louis XV's Sevres service offered to her to commemorate the Franco-Austrian alliance. Credit Communal Passage 44 until June

Art and Sport: 300 paintings, sculptures, drawing and photographs including Toulouse-Lautrec, Picasso, Magritte, Leger, Delaunay, Hockney. Palais des Beaux Arts. Ends June 3.

NETHERLANDS

Hans Koper: An exhibition of the ceramics of this Dutch artist and craftsman, who died in 1981, can be seen at the Museum Boymans van Beuningen, Rotterdam, until May 20. Koper was well known in England, and the display is arranged in co-operation with the British Council and the Sainsbury Centre for the Visual Arts in Norwich.

VIENNA

Out Of Steppe and Oasis: A colourful exhibition of treasures from the high desert plateaus of Turkestan, the heartland of Central Asia, stretching from China to the Caspian Sea, many brought back by 19th-century Viennese travellers. A display of artistic skill applied to household articles and clothing, carpets, saddlebags and especially jewellery, that a nomadic people could carry with them on their camels. Museum of Ethnology (Völkerkundemuseum). Until April 30.

Albertina – Collection of Graphic Arts: Some 300 watercolours of the Austrian artist Rudolf von Alt are exhibited, covering a prolific and long career from the 1830s to the early 20th century. His subject matter throughout is mainly Vienna's handsome streets and buildings, caught in many moods and seasons, with and exactness of architectural detail. There are also some sumptuous interiors and delicate mountain scenes of the Salzkammergut region. Alt's paintings give a sympathetic, even loving, record of Austria during its period of imperial greatness, with a refreshing lightness of touch and sometimes an almost impressionist use of colour and light. Ends April 29.

Kolo Moser – a pioneer of Viennese Art Nouveau. Creditanstalt Kassensaal, Schottengasse 6: Exhibits from a dressing table to banknotes illustrate the birth of Austria's art nouveau movement in this small but interesting exhibition mounted by the country's largest bank. Moser's lithographs and book decorations recall Beardsley, his chairs and sideboards Rennie Macintosh. The lines are clean, the mood light, and humorous, in what marked the start of the reaction against middle European baroque. Ends April 27.

TOKYO

Gandhara Art of Pakistan. Seibu Museum of Art displays 140 of the most important works from major museums in Pakistan, including Buddhist sculpture, metalwork and daily objects. Ends May 6.

German Expressionist Painting. Kamakura Museum of Modern Art. Part of the Buchheim Collection currently on tour includes works by 20th century German artists Karl Schmidt-Rottluff, Otto Mueller, Max Beckmann, Otto Dix, Lionel Feininger. Ends May 6.

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Thursday April 26 1984

Election cycle in the U.S.

THE LATEST batch of statistics from the U.S. economy has brought little enlightenment either to the currency markets, at present gambling on a further rise in U.S. interest rates, or to the bond market, waiting with increasingly strained patience for signs of the long-forecast slowdown. Inflation is down on the month but up on the year; it is generally expected to rise. Non-defence orders for durable goods are down, after a long rise; but this could well be no more than a blip on the chart. The only thing that remains clear is that the economy continues to roll under its own momentum, largely unchecked by any official action.

Difficult summer

The dilemma facing the Federal Reserve Board is not only its familiar election-year helplessness, but the dilemma it faces over international debt. For a time, earlier this year, it seemed that a weakening in the dollar, which reduces the real burden of LDC debt, would leave room for some tightening at home. However, the cautious edging up of interest rates—largely in the wake of rapidly growing commercial credit demand—has done more to revive the dollar than to check the economy, and the situation is now more precarious than ever, with another difficult summer of rescheduling in prospect.

Why is it, though, that interest rates which threaten to cripple foreign borrowers (and may yet break some large domestic debtors, including some public utilities) have done almost nothing detectable to check domestic demand? This question stands even if it is thought that the trend of output growth has now decisively slowed—as is only to be expected as the recovery matures. Normally credit-sensitive markets such as housing and cars are in a renewed boom and business borrowing, after a year off, is growing faster than ever.

The familiar tale of tax concessions to borrowers can only be part of the story. A similar level of real interest rates two years ago held the economy deep in recession, and the tax rules have not been any further softened for personal borrowers. The most likely answer is a disturbing one. While *current* "real" rates—interest less current inflation—are near their old highs, *expected* real rates—current interest less expected inflation—are much lower. In 1982, inflation was expected to fall. Now, it is expected to rise, whatever the March figure may suggest to the contrary.

This is certainly the view on Wall Street, expressed not only in the persistent weakness of the bond market, but in numerous forecasts. It is also the view now held by a near-record majority of purchasing managers, who are engaged in negotiating prices daily. This does not by any means prove that inflation is going to rise; purchasing managers have been pointing to a price acceleration for well over a year now, and they have been wrong so far. However, the balance of opinion has hardened, and the shortages of a growing list of industrial requisites lends it colour.

The question now is whether this expected inflation will take off before any firm corrective action can be taken under a newly elected Administration next year. For the time being it appears that the authorities have been driven to an unusually British reliance on long-term financing to prevent the Federal deficit being monetised, while avoiding pushing short rates up. This suggests a long-term future of high interest rates and a high burden of official debt-service which we in Britain are now struggling to escape.

British disease

This drift into the British disease could well persist after the election; it is politically more comfortable than the tax increases or expenditure cuts which would be needed to stop it. However, unless international investor confidence in the dollar does finally break, instead of thriving on steadily higher interest-rate differentials, the debt crisis may write its own end to the chapter headed "reaganomics."

Reality in the coal mines

RHETORIC and reality are wider apart in the coal industry dispute than in most. The National Union of Mineworkers' executive committee, and its special delegate conference, have both confirmed the area-by-area strike strategy—the last of these meetings, held a week ago, called "on all areas to join the 80 per cent (of miners) already on strike."

Left-led unions have pledged support: in the case of the main transport union, this has taken the form of an instruction to their members not to move coal or cross mineworkers' picket lines.

Yet Nottinghamshire and other miners, together with other groups of workers, *are* continuing to cross picket lines in large numbers, refusing to accept that a national strike exists until it has the sanction of a national ballot.

Some coal is still being dug and some coal trains are still running. The real worries over the supply of coke to steelworks and foundries remains worries rather than crises. The lights still come on, industry is working a five-day week and Mr Patrick Jenkin, the Environment Secretary, has advised no one to clean their teeth in the dark. To the evident frustration of the NUM leadership, the strike remains short of total and the effects on industries other than coal are still relatively minor.

Hiatus

This hiatus has been interrupted by the sound of faint cracking in the granite faces of the two sides' negotiating positions. Mr Ian MacGregor, the NCB chairman, indicated to the two mine management unions at a meeting last week, from which the NUM absented itself, that he might be prepared to "phase-in" the planned 20,000 redundances and the 4m tonne reduction in capacity over a longer period than the 12 months he originally specified.

Yesterday, presumably in response to this news, Mr Peter Heathfield, the NUM general secretary, wrote to the board to ask for talks. Spring appeared to have touched the icy stand-off.

Hopes

Hopes should not rise too far. Mr MacGregor has insisted that the manpower and capacity rundowns must stand: Mr Arthur Scargill, the NUM president, has said he will only discuss expansion of the industry. Finding a middle point between these two poles will take far greater concessions than either side has shown any willingness to make.

The NUM should, however, now take advantage of Mr MacGregor's offer of an open agenda on the timing of pit closures, for its own sake and for everyone else's. The longer the strike continues, the worse the situation facing the industry at the end of it: that is the inescapable logic of the market situation, and the replacement of Mr MacGregor by a more emollient figure will do nothing to change it.

It is a powerful union which can exact a high price for agreeing to contraction. Such a price could include the provision of jobs in mining areas where unemployment would rise steeply as a result of closures.

But the "no surrender" tactic will break the union, and the NCB's marketing strategy, before it breaks the Government, though at the likely cost of some dangerous confrontations, huge expense, and a riven labour movement. Unions are in business to defend jobs, conditions and wages — but the art of union leadership consists, in part, of recognising when unwelcome change is inevitable. Mr Scargill and his fellows should now exercise that art.

MITTERRAND AND THE COMMUNISTS

Divided they stand—for now

By David Housego in Paris

THIS past week in France there has been a sense that a historic corner has been turned. The final breach between the Socialists and the Communists may not occur immediately, but there can be no doubt that the tide of events is running that way.

There are two reasons for this change. First, though he may have come to power with the Communists clinging to his coat-tails, President Mitterrand increasingly finds them an embarrassing anachronism. The new international image he covets as a Social Democratic leader leaves no room for Marxist orthodoxy.

Second, and just as important, the Communists themselves are increasingly ill at ease on this new stage. Their views carry less and less weight and they suffer more and more humiliations at the hands of their partners. Inevitably, there is growing pressure on them to pull out.

The way in which these strains within the ruling coalition are resolved will have far-reaching implications in the run-up to the important legislative elections to be held in less than two years' time.

The official Government view is relaxed — "we have no interest in a rupture and we don't want one. But if the Communists go too far than the President will take whatever action is needed."

The thin red line that the Communists transgressed in recent weeks was publicly demonstrating against steel closures which their four ministers had endorsed in Cabinet. To M Pierre Mauroy, Prime Minister, who sought a vote of confidence in the Assembly last week to pin the Communists' words to their acts, this was unacceptable. It went far beyond the criticism which any minority partner in a coalition government under the Fifth Republic is tacitly allowed.

Within the Communist Party, buffeted by internal divisions and the abrupt reversals in government policy inflicted on it by President Mitterrand, there has been the agonising realisation of the extent to which the cutback in jobs in the steel, coal and shipyard industries bite deep into the heartlands of the Communists' traditional working class base.

Until the rioting by steel workers in Lorraine, the Communist Party had kept a restraining hand on its rank and file. But when the extent of local anger became clear, the Communists felt they had no choice but to throw their weight behind the demonstrations. The tempo of grassroots militancy will continue to determine how far the Communist hierarchy goes in its campaign against the Government.

M Mauroy, in his speech to the National Assembly, made clear that the Communists could expect no concessions from him over industrial reorganisation. He did not even give them—as he had in the past—the consolation of believing that austerity was a passing phase. Rather, the emphasis was on more painful decisions to come, notably in the automobile industry.

The Communists' reply, from M Guy Hermier, speaking for the party group in the Assembly, was that M Mauroy had "far from lifted their anxieties over the major problems of unemployment, wage levels and industrial policy. "The following day M Philip Herzog, the economic expert in the politbureau, returned to the attack in championing the Communists' own steel plan against that of the government. Then M Henri Krasucki, leader of the Communist-led CGT, said that the Government's closure of the engineering steels plant at Ugine-Fos, "the most modern in France," was "the height of absurdity."

The thin red line has been transgressed in recent weeks

The message, loud and clear, was that the Communists had no intention of kowtowing to M Mitterrand.

But this sniping over individual issues might just be manageable if more fundamental differences between the two parties had not emerged over the past two years. When the Left came to power in 1981 Communists and Socialists shared common ground over nationalisation, the need to reflate the economy by boosting consumer demand, and over a policy of intervention in industry to maximise investment.

Since the June 1982 devaluation, and more particularly, the anti-inflation package of March 1983 there has been an increasing divergence over economic analysis, policies and language. M Mitterrand has shed his Marxist cap; he no longer talks of the "French road to Socialism" and has absorbed much free market reasoning. He wants to see public sector enterprises return to profit, believes that salaries must be held down to give companies more room to invest, and is increasingly hesitant over interventionism in industry.

In short, M Mitterrand who mapped the Left's electoral strategy in 1971 by insisting that only Socialists and Communists combined could outflank the Right, is now striking out in a new direction—this time towards the type of European social democracy that Chancellor Schmidt managed in West Germany and which M Mitterrand now believes is what France wants as well. The popular M Michel Rocard, now Minister of Agriculture, who has long sustained the Social Democrat thesis would be an obvious contender for Prime Minister in this new scenario.

By contrast, the responsibilities of power have done little to change the ideological stance of the Communist Party. They remain the most old-fashioned and pro-Soviet of the European Communist parties wedded to enlarging further the state sector, to stimulating demand through protectionism, and to Marxist views of class warfare. On that platform they won 27 per cent of the votes after the war, but would win maybe 10-12 per cent today.

The danger for the Communists is that M Mitterrand's new approach leaves little room for them. Either they stick with the Socialists, in which case they risk being swallowed up by a larger movement with alien policies and programmes. Or they must pull back to their traditional working class "ghetto," to massage the protest vote with which historically the Communist Party has felt most at ease.

The dilemma is nothing new. For the Communists the history of the past 15 years has been a continuing attempt to avoid

Many Communists would refer to go back to the 'ghetto'

being squeezed to death in a Socialist bear hug—M Mitterrand made it brutally clear before he signed the Common Programme with them in 1972 when he said that the Socialists hope to expand by raiding the Communist electorate. That still remains the goal.

The Communists would have been tempted to stick with M Mitterrand if they believed that his policies were going to succeed and bring the Left electoral victory in the legislative elections of 1986.

Currently, however, they share the pessimistic analysis of the left-wing Ceres faction of the Socialist Party that the policies are doomed to failure and to destroying the Left's rank and file support. In other circumstances, they might have followed the trail of other Euro-communist parties in seeking a long-term compromise with the Socialist movement. But many would now prefer to go back to the "ghetto" where they would be well placed to exploit future discontent on the Left should the Opposition regain power.

They are the more concerned to cultivate this garden in that both the neo-Gaullist RPR and M Le Pen's extremist National Front party with its appeal to racist sentiment are exploiting the pockets of working class discontent which are the Communists' natural constituency.

It may be that the Communists are over hasty in their judgment of the outcome of M Mitterrand's policies — and they have left a door open to climb back on board should they be proved wrong. His standing in the opinion polls has sunk to an all-time low with more than 60 per cent of those questioned expressing dissatisfaction. Unemployment has shot up sharply, as have company bankruptcies. But Mrs Thatcher experienced similar troughs as the full impact of her anti-inflationary policies took effect. More worrying is that both domestic and foreign debt remain a sustained burden on the economy and that recent trade, money supply and budget deficit figures all show some over-shooting of government targets.

However, M Mitterrand's strength is that, after initial fumbling, he has a much clearer idea of his economic objectives and a determination to stick to them. The closures in declining sectors of industry, the cuts in milk production, the priority in bringing down inflation form part of a coherent package that brings France far closer in line with her European partners.

His political calculations are that in the legislative elections of 1986 and the presidential elections of 1988, middle-of-the-road voters could swing leftward if the opposition leadership falls into the hands of M Jacques Chirac, Mayor of Paris and head of the neo-Gaullist RPR. M Chirac is distrusted by many on the centre for both his right-wing views and his more right-wing followers.

M Mitterrand equally has some chance of picking up votes from the centrist UDF group of [illegible] d'Estaing. Even before the campaign for this June's European elections began, the UDF had fallen under the heels of M Chirac as the junior partner in a united opposition front. But M Chirac's supremacy has left a groundswell of discontent underneath.

Hence M Mitterrand's cautious moves in recent weeks to lure the centre. It will be the middle-class voters of the centre who also stand to gain most from President Mitterrand's promise to lower the tax burden next year as a proportion of GNP.

But M Mitterrand has only just begun to define a new Socialist platform with a broader appeal.

Much of it is still couched in the tired language of "modernisation" and "social" initiatives that fails to stir the Left or win supporters from the centre. Part of his problem on the left is that the measures needed to encourage investment require an emphasis on industrial initiative and

A disoriented and often dogmatic Socialist Party

flexible investment conditions that draws most on the political legacy of the Right. To succeed economically M Mitterrand is condemned to move further Right.

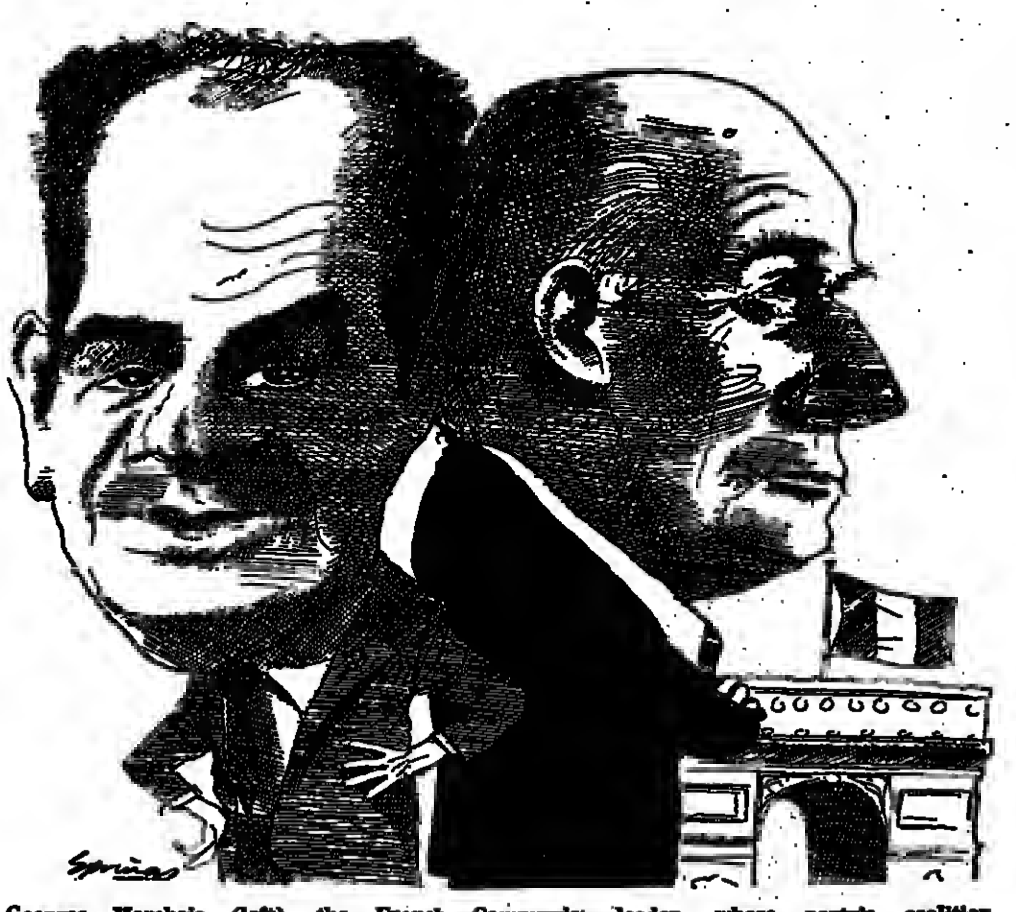
A commentator in the pro-Socialist *Nouvel Observateur* recently proposed five shock measures to galvanise industry into life. At least three — decentralisation of decision-making in large companies, partial denationalisation and greater flexibility for new entrepreneurs setting up in business — would have been applauded by the opposition.

M Mitterrand needs time to put across this type of approach to a discouraged, disorientated and often dogmatic Socialist Party — and more time for the party itself to carry the message to the rank and file. But explanations of the shift would become impossible if at every turn M Mitterrand found himself under attack from his Communist allies in the coalition.

The President would clearly like to keep the Communists on board, if only to minimise labour unrest, but he is in a much stronger situation than M Giscard d'Estaing was when as President he came increasingly under attack from M Chirac whose RPR was a partner in his coalition administration.

Giscard did not have a majority in the National Assembly, unlike President Mitterrand, who can rule with the Socialists alone. M. Mitterrand still has weapons up his sleeve for enforcing Communist allegiance. The Communists want the electoral laws to be changed next year to provide for proportional representation, which would enable them more easily to maintain their established bastions. The President also has the lever of a Cabinet reshuffle.

The Communists say that they would like to remain in government until 1986. They would certainly be taking a great risk if they pulled out before the European elections in June. Blame for the break-up of a government of the Left would cost them dear, as it did in 1977. But prior to the split of that year both sides professed their loyalty to the union of the Left. In the event of a breach, the name of the game is to switch responsibility to the other side.



Georges Marchais (left), the French Communist leader, whose party's coalition with President Mitterrand's Socialists is under increasing strain

Men and Matters

Ortolani acts—books banned

Anyone who has read the headlines in the Italian Press over the last few days will have been surprised by what was to be seen in the windows of one of Rome's leading bookshops yesterday.

There, without apology, was a copy of Il Banchiere Di Dio, the Italian version of God's Banker, a book on the Banco Ambrosiano affair by the FT's Rupert Cornwell.

There is good reason for surprise. Last week a magistrate in Varese, near Milan, ordered the confiscation of all copies of the book along with copies of three other books by Italians referring to political corruption.

The magistrate also ordered the seizure of assets of printers, publishers, and authors, up to the value of all the copies already sold.

The instigator of the actions was Umberto Ortolani, a key figure in the P2 Masonic Lodge of which Roberto Calvi, late chairman of Banco Ambrosiano, was a member.

Ortolani now faces charges in Italy of involvement in the fraudulent bankruptcy of Banco Ambrosiano, and is conducting his affairs from Brazil where he has citizenship.

When briefly arrested in Brazil last year he was swiftly released on the grounds that he faces no criminal charges in Brazil. His lawyers are now contesting the accusations he faces in Italy.

Ortolani made use of the sweeping powers of Italian magistrates—whose judgments in one city are applicable under Italian law over the whole country.

He took out a civil action claiming that his person and his image as a banker and financier had been damaged by the books.

The action of Pietro Dini, the magistrate in the case, has provoked stupefaction almost everywhere in Italy, and has aroused the fury of the opposition communist party.

Magistrate Dini admits he has only partly-read the books. But he has said in a relaxed interview that it is quite possible that he will withdraw his "cautionary" order when the publishers of the books appear against it. "It won't be the first time," he adds.

Watchdog wanted

Now that the Council for the Securities Industry (CSI) has unveiled its plans to turn itself into a high-level investor protection council, the Bank of England is turning its attention to the vital question—who should head up the new body?

Its candidates are likely to be confined within the financial community, in contrast to its previous preferences for part-time barristers in heading up organisations like the takeover panel and the CSI itself.

In the past outsiders have been preferred in order to avoid showing favour to factions within the City.

At the CSI, for example, Sir Patrick Neill, who will soon be bowing out, presides over representatives of some 15 jealous groupings.

The new body is expected to be a much tighter ship, however, supervisory rather than representative. Its chairman will need to be a senior figure and it will probably be a full-time job.

The Bank of England's last major headhunting coup was to pluck Ian Hay Davison out of the top spot at accountants Arthur Andersen, and instal him at Lloyds as chief executive.

Those interested in the new job might start by dropping discreet hints in Threadneedle Street. The £120,000 salary paid to Davison suggests there might not be too much financial sacrifice involved.

Dix drives off

"After half a lifetime in the motor industry, I feel it's time I handed my cards in. I wish to leave while my enthusiasm is still intact." With those words,

"On the brighter side, the Government today released figures showing that it was the hottest Easter for a hundred years"

Alan Dix, aged 63, served notice yesterday that after nine years as director general, he will hang up his hat at the Motor Agents Association in June next year.

Dix has stamped a firm imprint on the retail motor trade, reorganising the MAA into a coherent industry voice representing 14,000 members. Not least of its recent lobbying successes has been to persuade the Government to lift hire purchase controls on cars.

Dix, who is half-Danish, escaped from German-occupied Denmark in 1943 to Scotland. By 1948 he had emigrated to Kenya where he started a long involvement in the motor trade. He won the first-ever East African Safari rally in a Volkswagen Beetle, and he became deeply involved with the West German manufacturer, holding senior VW positions in the U.S. and West Germany as well as four years as managing director of Volkswagen GB.

Dix says he is leaving for no real reason other than that, "Ten years is a long time to run a trade association and I believe a younger man should take over by next year."

Swedish exercises

Sir Nicholas Goodison goes Swedish? The improbable came true yesterday when the urbane chairman of the Stock Exchange disclosed that his own firm, Quilter Goodison, of which he is senior partner, has joined in the City's financial services revolution. It is selling a 29.9 per cent stake to Skandia, the Swedish insurance group which already sells unit-linked life policies in Britain.

Goodison expresses satisfaction with the deal which is designed to underpin the growth of a firm which has kept a comparatively low profile. It has a high reputation in property shares.

Quilter Goodison also looks after more than £1bn in private client portfolio management.

Goodison sipped tea yesterday while his partners cracked a bottle of Veuve Cliquot. But he bubbled with enthusiasm at the "ambitious and vigorous" nature of his third-generation family firm.

Prawns and pigs

A small Yorkshire shareholder (or should it be a shareholder from Yorkshire with a small holding ?) got up at the Midland Bank AGM in London yesterday to make the following remark about Crocker National Bank, the Midland's loss-plagued U.S. subsidiary: "I've many a time bought a pig in a poke, but when I have taken it home I have never fed it prawn cocktails . . ." He then sat down abruptly.

For the benefit of new readers —I reported last week that Frank Cahouet, the new Crocker chief, is getting a basic salary of $540,000 a year, which is more than three times the going rate for Midland's highest-paid man in the old world.

Observer

ECONOMIC VIEWPOINT

We have come through, but . . .

By Samuel Brittan

ONLY A decade ago the air was thick with prophecies about the likely doom of liberal democracy. Several decades of post-war prosperity came to an end, with the first oil price explosion of 1973, since when the developed world has experienced varying combinations of low growth, high inflation, high unemployment, and currency instability. In the UK, as we uneasily remember, a miners' strike not only brought down the Heath Government, but shattered the morale of the British establishment, which to this day has never fully recovered.

There was thus a ready market for theories about the stresses and strains which could break the back of liberal democracy. Indeed that is something of an understatement. For even those of us whose main aim was diagnostic or prescriptive had to include some pessimistic prediction to obtain a hearing. In my own 1974 contribution to the doom literature I warned: "there is no such thing as historical inevitability. The point of saying that a house is on fire is to alert the fire brigade, not to sit back and enjoy the blaze." (Reprinted in *The Economic Consequences of Democracy*.)

In spite of the cries of the intervening period, the house did not burn down after all. But the fire brigade needs to be as alert as ever.

The more interesting doom warnings were derived from basic considerations of political economy; and if they were right the international financial crises were symptoms emerging largely from the attempt of countries to export their primarily domestic problems. Three main reasons of this kind were advanced for taking a dim view of the future:

● Democratic everstrain or overload. Echoes of this misgiving go back to the warnings expressed by writers such as Bagehot and Mill at the time of the extension of the franchise.

The emphasis in the early 1970s was that competition for votes was generating excessive expectations about what governments could perform. The result was to place an impossible overload on politicians and officials, who were expected to promote all sorts of incompatible goals and to provide costless benefits for voters who lacked all notion of a budget constraint. The resulting disillusionment, as government succeeded government, could prove corrosive to the functioning of an open democratic society, based on freedom and toleration as well as majority voting.

● The second threat to liberal democracy was often given polite labels such as market power, or the rivalry of coercive groups. But what it referred to was the power and rivalry of union monopolies in the labour market.

Again the problem had been foreseen by many Gladstonian Liberals and it received classic formulation by Henry Simons during World War II in the following words: "Here, possibly, is an awful dilemma: democracy cannot live with tight occupational monopolies; and it cannot destroy them, once they attain great power, without destroying itself in the process."

The way it looked in the early 1970s was as follows: Union monopoly power could price out of jobs a good many workers, who were forced either on to the dole or into inferior employment not much above the social security floor. Governments had the choice of trying to expand demand to mop up this unemployment, which would mean an accelerating inflation, and the policy would break down in the end. The only other course was to abandon full employment. Either alternative looked as if it would put an unbearable strain on the minimum consensus required for a functioning democracy.

On top of chronic unemployment, there is the strike threat power. Unions, unlike most other monopolists, may have the power to withdraw the total supply of some needed product until representatives of the public sign an agreement to pay more.

● The third set of influences was not so much a danger to liberal democracy as something which aggravated all the other threats. This was the impact on economic growth of what the late Fred Hirsch described as "positional goods."

A "positional good" is one whose quantity cannot be increased, or increased easily, so that the more you have, the less there is for me. For instance, we can all have more consumer durables, but we cannot all be Prime Ministers or winners of a particular event in the Olympics. Nor can we all have country cottages with an unimpeded view, as my cottage interferes with your view.

More subtly, much higher education is a means to positional goods. More people obtain university education hoping that this will be a route to the more lucrative, interesting or prestigious jobs. But of course when everyone else has it, a degree no longer functions as a meal ticket, sometimes not even a PhD.

Not all positional goods involve rivalry or competition. I buy a stool to see a procession better and increase my own enjoyment. But if everyone else does the same, no one is any better off even though more stools are sold, and these sales count as part of the GDP.

The point about positional goods is that their supply is difficult to increase, and economic growth was the main way in which conflicts over distribution of the national income had been softened in the past. It was thus possible for some groups to have more without others having less.

But if, as Hirsch suggested, additional demand in advanced societies is predominantly for positional goods, then growth is bound to be disappointing or bring disappointing results, and cannot be used to satisfy inflated public expectations or to mollify distributional conflicts even in Europe unless supported by government. Corporations can move to less unionised areas (eg, the U.S. sunbelt) or take on less heavily unionised workers such as women or part-timers. Imports tend to displace heavily unionised products, while much job expansion is in the small business, service sector.

The biggest criticism of the gloomy prophecies is that the predicted doom has not occurred. Democracies have muddled through the last decade; and there is less rather than more fear of either union domination or right-wing dictatorship. Indeed, three southern European countries—Greece, Spain and Portugal—have moved from dictatorship to democracy.

Of course the battle is never won. The next few months in Britain are going to be another test for liberal democracy faced with hold-up strike tactics. But when Mr Arthur Scargill all but threatens to halt the economy and throw out the Government if his demands are not met, then the only answer can be that provided by Gladstone after the Phoenix Park murders: "The resources of civilisation are not at an end."

The chances of beating strike-threat power are greater than in 1974 or 1979. This very fact underlines the point that people who have placed bets on the end of liberal democracy have survived to lose their money. Yet before we gloat prematurely, remember the price that has been paid in nearly all European countries.

Ten years ago I expressed doubts about the future of liberal democracy because of its inability either to tame interest group pressure directly, or to do so indirectly by abandoning the commitment to full employment—inflation being able to buy only a limited amount of time which came to an end some time in the 1970s. (Prof Birch is wrong to suppose that my earlier warnings were based on inflation per *se*.) If democracy has survived better than some of us feared, it has been because it has after all abandoned full employment. This is surely neither a healthy nor a durable basis for continued survival.

Notice, however, that this price has been paid most heavily in Europe, where the arteriosclerotic effect of special interest groups is greatest. Among developed societies, the U.S. and Japan have been far more successful in generating jobs—the former on the basis of a functioning labour market with a declining union sector, while Japan has flourished on a "company union" basis.

Monopoly trade unionism, like other monopolies, sows the seeds of its own destruction

Above all the development of technology away from the large plant, towards small scale establishments or even back towards domestic self-sufficiency (do-it-yourself, video entertainment and so on) helps to increase the power of the individual against the union or other monopolistic group.

Unions, together with other interest groups, are meanwhile always working to secure special interest legislation to stop up the market safety valve—not only by pro-union or minimum wage legislation, but above all control over imports, whether by legislation, voluntary quotas or physical threats to movement. If we could be sure of never having another union-dominated government in the UK I would happily send all the doom warnings to a historical museum, and the real criticism of Mrs Thatcher is her unwillingness to bear of the political and personal sacrifice—namely electoral reform—which would secure this result.

Even in the U.S. everything in the garden is far from lovely. While the threat from union power is much less than in Europe—a position which Mr Walter Mondale would soon upset—the threat from excessive political expectations is greatest in America. After all, what is economic Reaganism, but the wishful belief that the U.S. can have guns and butter, large Budget deficits, low interest rates, stable prices and full employment all at the same time?

If you believe that that combination can hold, you will believe anything at all. The one reasonable U.S. presidential candidate, Sen Gary Hart, who has the overwhelming virtue of being neither Reagan nor Mondale, looks unfortunately the least likely of the three to go to the White House.

Maybe we should give doom-mongering and breast-beating a rest. But the analysis, the diagnosis and warnings that lay behind the gloomy prophecies are as relevant as ever.

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Lombard

Why Nakasone stays at home

By Jurek Martin in Tokyo

ONE cardinal rule for heads of government around the world is that when things get sticky at home it is not a bad idea to go overseas. It is not an infallible cure. Sometimes coups d'état take place in the absence of a leader and occasionally, in more stable countries, a foreign mission fails to have the desired effect.

Nixon's rapturous reception in Egypt in the summer of 1974, for example, failed to call off the hounds of Watergate, while Callaghan's mini-summit frolic in the French Caribbean in early 1979 left a frigid strike-bound Britain unimpressed.

But more often than not such excursions do serve a purpose. President Reagan, who may not be quite as invulnerable as is currently popularity supposed, certainly reckons he has little to lose by visiting China now and Europe in six weeks' time, with lots of pretty TV coverage of the Great Wall and his Irish forbears, while the Democrats slug it out at home.

Mr Pierre Trudeau discovered last year that his quixotic international globe-trotting in pursuit of a middle-road alternative to superpower nuclear rivalry raught, even if only fleetingly, a Canadian imagination long soured of him and all his works. The Thatcher model hardly needs mentioning; bashing the Europeans, let alone the Argentinians, is clearly a proven tonic.

Inevitably, but nonetheless instructively, they do it differently in Japan. Here the axiom is that it is precisely when the domestic scene looks stickiest that it would be folly for a leader, or an aspiring leader, to seek foreign relief.

It is this which explains why Mr Yasuhiro Nakasone, who actually has a pretty good chance of being returned as party president and thus Prime Minister this November, is taking no chances by calling off planned extended trips to Europe and Australasia later this summer. He is going to India and Pakistan next week (though, significantly, this is when the country is enjoying its long "golden week" holidays and will be paying no attention) and attendance at the London summit is more or less obligatory. But all else overseas, apart from an admittedly improbable summons to Washington, is strictly not on the cards.

Mr Nakasone is not alone in this calculation. His Foreign Minister and potential party rival, Mr Shintaro Abe, has also deemed it impolitic to be seen exercising his ministerial duties as far away as South America, as he had planned, later this summer.

None of this should come as a surprise, though Mr Nakasone, who enjoys international exposure, may privately regret losing the opportunity for more of it (especially if he ends up by failing in November). The Japanese public at large, as demonstrated by last December's general election and just about every opinion poll, remains notoriously, even dispiritingly, uninterested in foreign affairs, while the introspection of the ruling Liberal Democratic Party is, if anything, even more marked.

This has almost perversely been underlined by the indifferent general reception now being accorded the Socialist leader, Mr Masashi Ishibashi, in his campaign to make his party a respectable alternative to the LDP.

Taking a leaf out of the Kinnock book, Mr Ishibashi has been charging round the globe (Peking, Moscow and even Reagan's Washington, all in the past six months) trying to prove that Japanese socialism is no longer hung up on the narrow dogmatism that had made it appear increasingly irrelevant and, in truth, he has been conducting himself rather well.

Thus it is becoming increasingly apparent that, once the OECD and London confabs are out of the way, and once Japan has announced another "package" designed to appease—though never satisfy—external pressure, the country will turn, as ever, inwards on itself. The issues that will matter will not be war and peace, disarmament and development, but administrative reform, national health insurance, the quality of education and who has made what political deals with whom and at what price. And the answers to none of these can be found outside Japan.

Letters to the Editor

Investment in high tech

From the Director-General, Electronic Components Industry Federation

Sir,—Writing about the Budget proposals on capital investment, Anthony Harris (April 16) refers to "the point where it makes sense to substitute labour for capital." What does he mean? That at some level of relative costs it would make sense to hire more workers instead of investing in modern production equipment?

Manifestly this cannot be true of high technology products such as advanced electronic components—some of which literally could not be made manually and none of which could achieve competitive standards of quality and reliability without continuing investment in automated manufacturing, test and inspection equipment.

Or does he mean that at some level of relative costs it would make sense for the nation to abandon industries requiring large-scale capital investment for those requiring less of the same? Would we not then be putting ourselves in direct competition with the under-developed nations, and would our wage levels not have to come down to theirs?

Surely there can be no real doubt that the UK must, for its economic survival, increasingly depend on information technology-based industries, which means electronics-based — industries, and the modernisation of older industries by the application of electronics. But electronics — which means electronic components — are at the heart of the matter.

None of your readers, I am sure, would be so naive as to suppose that U.S. and Japanese success in electronics has been achieved by the pure milk of private capitalism untainted by public funds or subsidies; directly or indirectly vast expenditures of taxpayers' money have been devoted to ensuring it.

France and West Germany, to mention only two others of our main competitors, are supporting their micro-electronics manufacturers very substantially. Examples of the dangers, not only in defence terms but throughout the commercial battlefield, of not doing so and of becoming reliant on imports for the latest and most crucial electronic components, multiply almost daily.

To its credit, the DTI has long recognised the problem and the need, and recently announced the Micro-electronics Industry Support Programme Mark II. But this was of course envisaged long before the Budget as special support of investment additional to the 100 per cent Capital Allowance régime.

If the objective of building up and maintaining in the UK a world-competitive advanced electronic components industry is to be achieved, then (unless the Chancellor has second thoughts about capital allowances) the Budget will ensure that the cost will certainly be many times greater than the £120m allocated to MISP Mark II.

R. H. W. Bullock.
ECIF,
7-8 Savile Row, W1

Returns on National Savings certificates

From Mr Keith Tunstall

Sir,—While agreeing with Mr G. Bowthorpe's comments (April 21), I feel he's missed the essence of my letter (April 14) that returns on National Savings Certificates to higher-rate taxpayers were very good, to basic-rate taxpayers in-line with market returns, and to non-taxpayers poor.

It is true that a prospective purchaser should consider interest-rate trends, but most people, if they are honest, will not pretend to know the course of interest rates over the next five years.

Consequently, one's investment decision must be based largely on market conditions as they stand today.

Should Mr Bowthorpe be a higher-rate taxpayer, his building society return will incur a liability to further tax, which is something that the certificates would not attract. Either way, I consider that savings certificates should be viewed as complementary to a building society balance rather than an alternative.

Keith Tunstall.
*39, Grove Street,
Leamington Spa,
Warwickshire*

* * *

From Mr Jeremy Strong

Sir,—National Savings Certificates produce a guaranteed capital return at the end of a fixed term. There is no annual running yield. In my view it is misleading to "gross up" the return at any of the income tax rates (as in Keith Tunstall's letter of April 14). Grossing up at 30 per cent to take account of the freedom from capital gains tax is the true way to illustrate the "tax paid return."

Jeremy Strong.
*The Cottage,
Ennerdale Road,
Kew, Richmond.*

Far-flung tax inspectors

From Mr K. G. Speyer

Sir,—I am pleased to see Sir Lawrence Airey's explanation of the Inland Revenue policy concerning the wide dispersal of tax inspectors and their offices.

With respect, what we are being told is a bit too facile and ought not to content us. I beg him to consider that:

1. Surely each centre of X thousands of people has its infrastructure of shops, doctors, hospitals, MPs, etc. The argument put forward by the Inland Revenue is an argument of inertia to retain the *status quo* of a bad decision of dispersal implemented some years ago.

2. I am assured that it can take a couple of months—sometimes more, sometimes less—for a taxpayer's file to travel from a remote office to the local "inquiry office" and back again.

3. One of my nearer tax offices, close to my own office in London, EC1, is Somerset House itself, yet I am still awaiting a reply or acknowledgment to a letter sent to it in February.

4. It is well known that the Inland Revenue intends to computerise nationally. I hope for the sake of every law-abiding taxpayer that this computer is no relation to that well-known Swansea Central Motor Licensing Computer. (One is old and cynical enough to remember that the local licensing system this displaced some years ago was both more popular and efficient and probably cheaper.)

5. Commonsense would mean that our local tax inspector—much as some people love to hate him—lives among his flock, on his patch, as it were, and when he walks his dog he may sometimes even pass the time of day with his parishioners, including the local greengrocer, etc. and, hopefully, we all would eventually benefit by this through greater efficiency and lower tax rates.

K. G. Speyer,
*308 City Road,
London EC1.*

Derating of deroofed buildings

From Mr S. M. Willott

Sir,—I was shocked to read that the response to the de-roofing, by their owners, of the vacant Sefton factories was to de-rate the buildings.

This only encourages the land-holders to leave land unused until producers and manufacturers are willing to pay the high price demanded.

Rates should be based only on the value of the site. This stimulates the sale of vacant sites to potential producers of wealth.

S. M. Willott.
*35, Merllyn Road,
Rhyl, Clwyd.*

FINANCIAL TIMES

Thursday April 26 1984

JUREK MARTIN EXPLAINS HOW ANTI-TRUST RULINGS SOUNDED AN 'ALL-CLEAR'

U.S. steel becomes a magnet for Japan

IT IS NOW apparent that if anybody has suddenly converted the Japanese steel industry to the attractions of investment in the United States, it is the U.S. Justice Department, which in February began lowering the anti-trust boom on big intra-American steel mergers.

Up to that time, there had been an eye-catching collaboration between Nisshin Steel and Wheeling-Pittsburgh, two medium-sized integrated steel producers. But the word in Japan was still very much that buying into the U.S. remained a doubtful proposition for the "big five" (Nippon Steel, Nippon Kokan, Kobe Steel, Sumitomo Metal and Kawasaki).

The objections seemed well founded: Nippon Kokan's talks with Ford over acquiring Rouge Steel had collapsed in the face of U.S. labour opposition. The Pentagon had vetoed, on national security grounds, Nippon Steel's designs on Special Metals. Moreover, the U.S. industry itself appeared to be in the throes of a major realignment, with U.S. Steel in pursuit of National and LTV and Republic negotiating the terms of a merger.

None of the leading Japanese companies would even concede at that stage, that they were even seriously contemplating a major U.S. investment, and most spoke disparagingly about the pitfalls of getting involved in the country's dilapidated "smokestack" industries.

Yesterday's news points to at least some dissembling. Nippon Kokan itself, in announcing here that it was buying into National, revealed that it was talking to National last summer. According to Nippon Kokan, the talks opened at National's initiative, shortly after its Rouge negotiations had fallen through. However, the U.S. company lost interest when U.S. Steel proposed a complete takeover and absorption of National's outstanding debt.

It was the withdrawal of the U.S. Steel bid, following the Justice Department's ruling, which reignited National's interest and which led to the latest deal. An additional factor for the Japanese, again stemming from the Justice Department's action, was the renewed fear that, with its own realignment blocked, the U.S. steel industry *would* become increasingly protectionist and that circumventing trade barriers by investing directly had become far more attractive.

Thus Japanese steel industry experts yesterday were shifting the focus of their attention more to which of the big five might next jump on to the bandwagon. Mr Tatsuro Kiyohara, of Nomura Securities, suggested Nippon Steel, the industry leader, and Kawasaki as the most likely candidates, with Sumitomo Metal probably the least likely.

Nippon Kokan, which vies with Kawasaki for second place in steel production, said yesterday that National was among the most technologically advanced and efficient steel companies in the U.S. and would not, therefore, require the sort of radical technological surgery and heavy new investment that less sophisticated steel concerns would need. Specifically, Nippon Kokan estimated that introduction of its techniques could save Y10bn ($44.6m) in costs annually at National.

The company also said it was convinced it would have less difficulty dealing with U.S. unions at National (a United Steelworkers company) than at Rouge, where the United *Automobile Workers predominates.* It added that USW labour came $3 an hour cheaper than the UAW.

However, as is true on a much smaller scale of Nisshin's involvement with Wheeling-Pittsburgh, it is obvious that the major lure is the opportunity to sell steel to the booming U.S. car market. Nippon Kokan is thinking in terms not merely of supplying U.S. manufacturers but also of being in a position to meet the demands of those Japanese car companies (Honda, Nissan, Toyota and Mazda), which are either already producing in the U.S. (in Honda's case with a recently doubled capacity) or about to start. The endurance of the current car boom in the U.S. does, however, remain a matter of some debate.

It was still unclear yesterday how Nippon Kokan proposes to finance its investment. Although the Japanese industry is now enjoying a cyclical recovery, thanks to U.S., Chinese and domestic demand, and although steel shares have been among the recent favourites on the Japanese stock markets, the estimated $273m in cash may take a bit of finding.

Nippon Kokan, with Kobe, is the most highly leveraged of the big five, with total debt outstanding at the end of the financial year ending *March 1983 equal to nearly half its* assets. It had provisionally planned to finance the aborted Rouge takeover through a combination of cash flow from Rouge, available internal funds and by cutting back on capital investment in Japan. However, the scale of the National deal is ten times greater.

It so happens that, having completed a major investment round in building seamless pipe facilities, all the leading Japanese steel companies are planning to spend much less on plant and equipment in the 1984 fiscal year (which began this month) than last. Industry-wide projections are for a 25 per cent drop (to about Y570bn), with Nippon Kokan itself forecasting a 40 per cent decline to about Y95bn. Thus, the company may have some freedom to manoeuvre.

It would certainly help Nippon Kokan if the current recovery in demand for steel persists and if the performance of its shipbuilding and construction division (which accounts for about a quarter of total sales) improves.

However, Nippon Kokan has a reputation for being a company which takes aggressive investment decisions. Its recently completed Ohgishima plant is among the most advanced in Japan, though a current financial drain, and is likely to be an extremely profitable investment over the longer term.

Assuming all the details can be ironed out by the summer, as Nippon Kokan intends, it seems to have made another one now in the U.S.

THE LEX COLUMN

Orderly retreat by the banks

Only once in a blue moon are statements of intent from the UK Accounting Standards Committee (ASC) noted for any theatrical sense of timing. Coinciding as it did with further disclosures from two British banks, Barclays Bank and Midland Bank, on their deferred tax provisions, however, yesterday's statement on the treatment of deferred tax stood out in the bluest moonlight – and even cast another small shadow over the clearers' predicament.

The clearers all agreed earlier this month to adjust in one fell swoop for the budget's impact on their leasing tax liabilities as recommended by the ASC's Exposure Draft 33, the basis of the new statement.

Both Barclays and Midland have followed National Westminster in writing down their full potential liability to take account of a 35 per cent tax rate. Deducting the provisions already made, this has left Midland with a £230m charge in 1984 – a little less than might have been suggested by the total liability, which includes some overseas items – and Barclays with about £490m.

The ASC's further insistence that the 1984 charge should be taken as an extraordinary item appears to rule out the option for the clearers of an old-fashioned write-off against reserves. Had it left it at that, though, the ASC would surely have required the clearers to show retained losses on their accounts. This uncomfortable dénouement seems to have been avoided by the ASC's simple expedient of allowing companies to draw reserves into the profit and loss to set against any such extraordinary debit. Bank of Scotland has led the way on this approach and the other banks can be expected to follow.

Half Bank of Scotland's extraordinary provision related to the claw-back effect on its deferred taxes of falling lease rates; but the main four clearers are differently exposed to critical tax variation clauses on their leasing rates. Barclays, estimated its liability on this score at about £60m, has apparently added this to its £490m provision to reach a £550m total – but on this issue the others have still to pronounce.

GEC/Distillers

The position of cash-generating industrial companies is not entirely to be envied. Their problem is that if cash piles up in the balance sheet it must appear that the business is failing to use all the available resources. And if that cash is then invested outside the enterprise, accusations are liable to arise that the management has run out of ideas and should return funds to shareholders. GEC has naturally attracted a fresh dose of comment along those lines since it became known that the group had devoted some of its riches to buying equity in Distillers Company (DCL).

It is certainly not hard to raise questions about GEC's investment strategy. The company's own shares have been notably left out of the market rise over the past two years, for despite heavy internal use of funds on capital projects and research the continued cash generation is itself taken as a sign that GEC may be having trouble in putting down adequate foundations for future growth in earnings.

Yet the investment in DCL is scarcely something that GEC would represent as part of its long-term strategy, even in the improbable act of mounting a bid. GEC has made successful excursions into the equity market before now. Its search for long-term uses of funds clearly continues, under the market's suspicion that over-exacting criteria may tend to throw out wheat as well as chaff. Meanwhile, whisky shares at least seem to have offered a higher total return than gilt-edged.

Nestlé

The directors of GEC must have every sympathy for poor Nestlé, which makes a genuine effort to spend money but still ends up with the balance sheet of a conservative Swiss bank. A year ago, the food company declared its interest in expanding through acquisition in the U.S. Since then, it has forked out $300m for Warner Cosmetics and is currently in the process of spending up to $200m on coffee group Hills Bros. But even all this has failed to bring the cash pile below $2bn, so now Nestlé is proposing to spend a further $500m on CooperVision, the eye-care products group.

It may seem curious that the world's biggest food company should want to specialise in contact lenses. But food is not necessarily the most exciting area in the world these days. Nestlé's Findus lost a cool £20m in the UK last year. And the company's opthalmic ambitions are at least consistent; besides U.S. eye-care group Alcon, bought in 1977 for $276m, a Swedish contact lens manufacturer was acquired in 1982.

CooperVision has a strong position in the contact lens market, but is weak in the field of eye drugs and contact lens solutions; Alcon conveniently is the other way round. Quite apart from the commercial advantages, the lack of product overlap between the two companies makes anti-trust objections to the bid less likely.

The proposed bid price of around $25 per share compares with CooperVision's low a month ago of $11⅞. But net earnings have gone from $4.9m in 1980 to $20.1m in 1983 – a record which might be taken to justify the exit p/e of 19.

Rumasa founder held in Frankfurt

By David White in Madrid

SPAIN is to seek the extradition of Sr Jose Maria Ruiz-Mateos, the fugitive business magnate, following his detention yesterday by West German authorities at Frankfurt airport.

Sr Ruiz-Mateos' arrest on arrival from the U.S. came more than a year after the Socialist Government in Madrid took the controversial step of expropriating his wide ranging Rumasa enterprise, arguing that this was the only way of averting a financial disaster.

The 53-year old founder and former chairman of Rumasa, which he owned with members of his family, fled to London shortly after the expropriation. However, be left the UK last week after being refused permission to stay there for more than a few days. His lawyers had said he would apply for a permanent UK residence visa from outside Britain.

Spanish court hearings against Sr Ruiz-Mateos have been held up because of his refusal to appear and the absence of an extradition agreement between Madrid and London.

Madrid officials stepped up pressure oo British authorities earlier this year when Sr Ruiz-Mateos made statements in London against several top Spanish figures, including King Juan Carlos.

He bas been charged with currency offences, forgery, appropriation of tax funds, social security fraud and, in a separate case, with insulting the King. Sig Ruiz-Mateos has denied the allegations.

He and two former top colleagues were declared in cootempt of court last September after deteotion orders were issued against them. The magistrate in charge of the case, Judge Luis Lerga, said be had requested the arrest through Interpol and confirmed that formal extraditioo proceedings would be started to bring Sr Ruiz-Mateos to trial.

The request is believed to have been made oo Mooday. A member of Sr Ruiz-Mateos' team of legal advisors expressed to surprise that the move should have been made at this time rather than on previous trips by Sr Ruiz-Mateos outside the UK, and denied a suggestioo by Sr Luis Antonio Buron, the prosecutor general, that he may have been in possession of illegal arms and documents.

Sr Buron said state prosecutors had been instructed to co-operate with the courts in pressing for extradition under the two countries' hilateral treaty.

Rhône-Poulenc needs 'more effort' to finance investment

BY DAVID MARSH IN PARIS

RHÔNE-POULENC, the nationalised French chemicals group, will have to make "many more efforts" to remain permanently in the black after turning in a profit of FFr 98m ($12m) last year after three years of losses, M Loïk Le Floch-Prigent, the chairman said yesterday.

Addressing a meeting of financial analysts and journalists, M Le Floch said Rhône-Poulenc would have to raise extra capital this year to finance an investment programme running at about 7 per cent of its annual turnover of FFr 43.1bn last year, but left open where the money would come from.

Last year, marking an underlying earnings swing of around FFr 900m compared with the FFr 844m net loss in 1982, was a year of consolidation following the group's efforts to streamline its still loss-making textile business, sell its fertiliser operations and expand its fine-chemicals activities with the acquisition of parts of the former Pechiney chemicals division.

But to match the performance of its international competitors, Rhône-Poulenc would need to turn in yearly profits of around FFr 1.5bn, he warned. Greater efforts in management, research and investment would be needed.

The first 1984 quarter showed a positive trend with turnover up 22.4 per cent from the first three months last year. This represented an 11 per cent jump in volume and 10 per cent in price increases.

Last year 38 per cent of turnover was made from foreign plants, down from 41 per cent in 1982 because of a fall in Brazilian activities. *French turnover and exports* from France each made up 31 per cent of overall sales.

Out of the FFr 2.87bn operating profits (up 30 per cent from 1982), the main contributing divisions were chemicals with FFr 1.09bn against FFr 507m in 1982 and health products with FFr 1.14bn against FFr 852m. Textiles showed an operating loss of FFr 230m against FFr 295m, while Brazilian profits slumped to FFr 387m from FFr 968m.

For last year the company increased capital by FFr 340m through an injection decided in December from its state shareholder, and also raised FFr 1.05bn in subordinated loans and FFr 600m through an issue of non-voting loan stock on the Paris bourse.

Asked about this year's cash raising plans, M Le Floch said capital would be raised in the "best" possible manner. He did not rule out another sortie on to the capital markets, saying "Nothing is excluded."

London to probe U.S. computer 'moles'

By Guy de Jonquieres in London

THE BRITISH Government has ordered an investigation into reports that two U.S. officials in the UK Ministry of Defence are providing information about the activities of British computer leasing companies to U.S. authorities.

The inquiry was disclosed by Mr Geoffrey Pattie, British Minister of State for Defence Procurement, in a letter to Liberal MP Mr Paddy Ashdown, who had expressed concern about the possible extra-territorial extension of U.S. laws governing high technology exports.

"Though I was confident that there is no basis to suggestions that U.S. officials located in the Ministry of Defence were providing information on UK-based computer leasing companies, I have none the less arranged for a thorough investigation to be carried out," Mr Pattie said in the letter.

The decision follows a statement in the House of Commons on April 13 by Mr Paul Channon, the Trade Minister, that no Defence Ministry officials were co-operating with the U.S. Embassy in London on export controls.

Mr Channoo said in reply to questions from Mr Ashdown that the only information provided officially to the U.S. about British companies was supplied by UK Customs and Excise, which was co-operating with customs officials in the U.S. Embassy in London.

Mr Ashdown expressed surprise yesterday that Mr Pattie had decided to hold the inquiry in view of Mr Channon's assurances. "It is quite remarkable that the minister seems insufficiently clear about what is going on that he has to order an investigation."

Mr Ashdown first raised the issue in connection with remarks reported to have been made by a commercial officer of the U.S. Embassy n London at s meeting of British computer leasing companies at Epsom, near London oo February 29.

Mr Ashdown told the Commons that the officer had been asked about recent U.S. moves to require British leasing companies to provide information about their customers. The officer is said to have replied that the U.S. already had enough information to "slap the irons on most of you."

According to Mr Ashdown, the officer had said that the U S. Government had two officials working in tha Ministry of Defence who had access to the information.

Louise Kehoe writes from San Francisco: The U.S. is easing its export controls on laboratory analytical instruments that incorporate microprocessors, Mr Malcolm Baldrige, Commerce Secretary, announced on Tuesday.

"The Commerce Department, in consultation with the Department of Defence, has determined that national security controls on these instruments are no longer necessary," Mr Baldrige said. The change reflects an effort "to relax export control requirements whenever possible on commodities that have little or no strategic significance."

Laboratory analytical instruments will no longer require special export licences, except when sold to companies in Libya, North Korea, Vietnam, Kampuchea or Cuba. The change is expected to reduce the number of individual licence applications in this product catagory by about 40 per cent, the Commerce Department estimates.

EEC ready to fine IBM over secrecy

Continued from Page 1

Louise Kehoe writes from San Francisco: Mr Malcolm Baldrige, U.S. Commerce Secretary, has announced a formal agreement to support an open international standard for computer communications.

The agreement was signed by Mr Baldrige and representatives of tha U.S. National Bureau of Standards, General Motors and Boeing Corporation.

The agreement reflects a strong commitment by U.S. industry and government to develop computer communicatioo standards, according to the National Bureau of Standards.

The partly developed open computer communications standard is designed to allow computers supplied by different vendors to "talk" to each other without modification.

Several U.S. and European companies bave been involved in developing this standard dats communications system for several years, but some major computer-makers, including IBM, have questioned whether it will be possible for all parties to agree on a standard and bave termed the efforts "idealistic."

Mr Baldrige's personal atteotion represents a boost for the open system concept, participants feel. His announcement is seen as a vote of confidence in the feasibility of an international standard.

To prove thet it can work, 15 companies will participate in a demonstration at the national computer conference in Las Vegas in July.

Mr Malcolm Baldrige

They will include Boeing, GM, Digital Equipmeot Corporation, Honeywell Information Systems, Intel, NCR, Motorola and ICL.

"This is an important step towards computer compatibility. Involving both large and small companies, this project highlights the promise that industry/government co-operation holds, especially for high technology areas that are critical to the world's economy," Mr Baldrige's statemeot said. "It is an appropriate way for government to help industry to help itself."

Leasing move hits UK banks

Continued from Page 1

Crocker National Bank, its U.S. subsidiary. "We do not foresee any reason why current levels should not be maintained," he said.

The British budget changes will force banks to pay taxes on leasing income which they were able to shelter through capital allowances. This provoked bitter comment from Sir Donald. He said it was "unfortuoate that legislation of such long standing, on which long-term contracts have been based, should be changed as suddenly and dramatically, and without notice."

The banks had particular reason to feel aggrieved, be said, because they had already suffered from the 1981 special tax in the erroneous belief that they make too much money.

He warned that Midland might have to increase the £230m provision because of the complexity of the calculations. But he and Sir Timothy Bevan, Barlays' chairman, both stressed that the actual tax payments would not have to be made for several years.

Of the four biggest UK clearing banks, National Westminster, has already announced a provision of about £570m. Lloyds is expected to make an announcement at its annual meeting on May 3. All told, the tax measure will cost nearly £2bn, making this by far the most expensive collective blow UK banks have ever suffered.

Sir Timothy also revealed yesterday that Barclays was putting up nearly £30m for its 29.9 per cent stake in Wedd Durlacher Mordaunt, the City of London jobbing firm with which it struck a deal last month.

This will consist of a £6m capital injection and a £23.9m loan. Barclays will become a limited partner of the firm this Saturday and will eventually, subject to official approval, take its stake up to 75 per cent. These terms appear to value Wedd's at about £100m.

Midland Bank angered its shareholders by revealing that it had decided to make its $870m investment in Crocker in 1981 only on the basis of publicly available information; it bad not been able to look at the bank's books.

World Weather

		°C	°F			°C	°F			°C	°F			°C	°F
Ajaccio	F	18	64	Dubrovnik	C	16	61	Malaga	F	20	68	Salzburg	S	15	59
Akrotiri	F	18	64	Faro	S	20	68	Malta	—	—	—	Seoul	C	21	70
Algiers	C	19	66	Florence	S	17	63	Manila	S	34	93	Singapore	C	31	88
Amsterdam	S	19	66	Frankfurt	S	18	64	Miami	C	28	82	Stockholm	S	15	59
Athens	F	19	66	Funchal	C	18	64	Milan	S	16	61	Strasbourg	S	21	70
Bahrain	C	32	89	Geneva	S	15	59	Moscow	F	14	57	Sydney	S	22	72
Bangkok	C	34	93	Gibraltar	C	18	64	Munich	S	14	57	Taipei	C	23	73
Barcelona	S	22	72	Guernsey	S	19	66	Nairobi	—	—	—	Tangier	F	22	72
Beirut	S	23	73	Helsinki	C	11	52	Naples	F	14	57	Tehran	—	—	—
Belgrade	R	8	46	H. Kong	C	22	72	New Delhi	S	36	96	Tel Aviv	F	19	66
Berlin	S	18	64	Innsbruck	S	17	63	New York	S	12	54	Tenerife	—	—	—
Biarritz	S	18	64	Inverness	S	14	57	Nice	C	18	64	Tokyo	C	21	70
Blackpool	S	21	70	Istanbul	R	8	46	Oporto	S	18	64	Toronto	S	10	50
Bordeaux	S	25	77	Jersey	S	20	68	Oslo	S	16	61	Tunis	S	22	72
Brussels	S	18	64	Jo'burg	S	19	66	Paris	S	19	66	Valencia	S	22	72
Budapest	S	17	63	Las Palmas	S	22	72	Prague	S	15	59	Venice	S	17	63
B. Aires	S	17	63	Lima	S	26	79	Reykjavik	C	8	46	Vienna	S	16	61
Cairo	S	23	73	Lisbon	F	18	64	Rio de J'o	R	34	94	Warsaw	S	15	59
Cape Town	—	—	—	Locarno	C	13	55	Rome	S	18	64	Zurich	S	17	63
Caracas	C	30	86	London	S	21	70								
Casablanca	S	21	70	Los Angeles	S	22	72								
Copenhagen	S	18	64	Luxembourg	S	17	63								
Corfu	C	16	61	Madrid	S	21	70								
Dublin	S	14	57	Majorca	S	23	73								

Readings at mid-day yesterday:

C–Cloudy D–Drizzle F–Fair Fg–Fog H–Hail R–Rain S–Sun Sl–Sleet Sn–Snow T–Thunder

AMC in black for quarter

By Our Financial Staff

AMERICAN MOTORS, the U.S. motor group, yesterday reported first-quarter net profits of $5.12m against a $66m loss in the same period last year. Sales advanced from $637.4m to $1.08bn.

Mr Paul Tippett, chairman, said in Toledo that AMC, whose major shareholder is Renault, expected to be profitable for "1984 as a whole although there could be a quarter wbere we break eveo or have a slight loss."

Agencies

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SECTION II – INTERNATIONAL COMPANIES
FINANCIAL TIMES
Thursday April 26 1984

Merrill salvage plan for utility

By Terry Dodsworth in New York

MERRILL LYNCH, the New York securities and investment company, has been brought in as an adviser to the troubled Seabrook nuclear power station project in an attempt to salvage one of the two units on the New Hampshire site.

The plan follows the decision by Public Service New Hampshire, the leading utility company on the project, to stop all construction work. The company was forced into this move by its shaky financial situation, which also led to an announcement last week that it was skipping dividends on both its common and preferred stock.

The second reactor unit at Seabrook has already been cancelled, but PS New Hampshire's many partners, who collectively own 64.4 per cent of the project, are anxious to protect the investment they have already made in the almost completed plant.

Under the initial plan proposed by Merrill Lynch, a new company would be formed to complete the construction of Seabrook 1. But it is not yet clear whether this organisation could be financed by the partners, who come from a variety of New England states, or whether it would have to raise fresh finance on the debt markets.

● Cleveland Electric Illuminating said it might cancel the second unit at its Perry nuclear power plant in Ohio. The company owns 31 per cent of the project, which is now about 30 per cent complete, but which has suffered from cost overruns.

Truck market recovery by Cummins in US

By Our New York Staff

THE CONTINUING recovery in the North American heavy truck market was underscored yesterday in first quarter figures from Cummins Engines, the U.S. diesel engine manufacturer, which said that its current production level was the highest in its history.

Net earnings in the three month period amounted to $38.4m, or $4.03 a share, against a loss of $5.6m, or 82 cents a share in 1983. Sales rose by almost 70 per cent from $350.8m to $572.7m.

At a pre-tax level, Cummins said its profits of $69.6m were a record. They reflected the high volumes the group is now achieving with a slimmed down labour force and a "significant" improvement in productivity.

Its share of the U.S. heavy truck engine market, which is expected to reach 150,000 units this year, had remained above 60 per cent in the first two months of the year.

National Can suffers first quarter loss

By Our New York Staff

NATIONAL CAN, the third largest U.S. packaging group, which is currently the subject of a leveraged buyout attempt, reported a loss of $187,000 in the first quarter against profits of $1.3m, or 9 cents a share last year. Sales amounted to $392.1m against $320.3m.

Mr Frank Considine, chairman, said that the latest results were hit by a loss in the group's glass container operations, where prices had been weak and expenditure high on new plant to increase efficiency. He added that he expected the full year results to show an increase in operating earnings.

US chemical groups increase profits in first three months

BY WILLIAM HALL IN NEW YORK

DU PONT, the largest U.S. chemical company, and Monsanto, one of its main rivals, have both reported sharply higher first-quarter earnings, continuing the profit recovery which started last spring.

Du Pont earned $373m in its first quarter, an increase of 84 per cent, and Monsanto boosted its earnings by 73 per cent to $175m.

Du Pont's revenues rose 8.1 per cent to $9.3bn, while Monsanto's revenues were 16.8 per cent higher at $1.73bn in the first quarter. Du Pont earned $1.55 per share, up from 85 cents per share in the first quarter; Monsanto's earnings increased from $2.47 per share to $4.25 per share.

Mr Richard Mahoney, Monsanto's chief executive, said that the first-quarter increase reflected a "continued improvement in worldwide economic conditions and a favourable agricultural environment." The group reported strong gains in its polymer products, fibres and industrial chemical businesses, all of which benefited from continued momentum in new construction activity and consumer demand.

Monsanto said its businesses which rely heavily on conditions in the capital goods markets, such as its Fisher Controls International unit "had not yet fully participated" in the economic recovery. However, orders were improving and the group expects more favourable financial results in these businesses in the rest of 1984 and 1985.

The results from Du Pont and Monsanto round off a buoyant first quarter for the U.S. chemical companies, which have undergone a bout of rationalisation in the past few years in an attempt to position themselves for recovery. Earlier this week Union Carbide announced a 123 per cent jump in first-quarter earnings, and Dow Chemical began the year with a 77 per cent profits surge.

ITT in leasing deal with Times Mirror

BY PAUL TAYLOR IN NEW YORK

ITT, the U.S.-based multinational conglomerate, yesterday announced an agreement with the Los Angeles-based Times Mirror group which will more than double ITT's existing domestic long-distance telephone network.

ITT Communications Services unit already operates a 2,500-mile microwave transmission network in the U.S. stretching from New York to Texas. Under the terms of the agreement it will lease use of a similar 3,500-mile system, spreading out from the West coast, owned by Times Mirror Microwave Communications company, an Austin-based wholly-owned subsidiary of the newspaper publishing and television group.

The move represents a further major push by ITT into the highly competitive long-distance telephone market in the U.S., currently dominated by American Telephone and Telegraph (AT&T).

The agreement will provide ITT with a ground-based coast-to-coast network capable of carrying both voice and data, and reduce the company's current dependence on leased satellite space.

ITT said it will lease capacity on the Times Mirror network "for a minimum of 10 years." No other details of the agreement were announced.

ITT said completion of the interconnection of the two networks – which will meet in Dallas – is due by November 1. It creates a nationwide system capable of handling ITT's existing cut-price ITT Longer Distance service together with ITT's specialised business telecommunications service.

Tokyo alters guidelines on syndicated yen loans

TOKYO – The Japanese Finance Ministry has changed its guidelines on syndicated loans in yen by banks and life assurance companies in Japan, according to bankers.

The change was detailed to 25 leading Japanese banks in a meeting at the Ministry yesterday and will be briefed to life insurance companies today. It is designed to apply certain risk asset ratios to each lender's total scale of yen loans.

The Ministry used to set quotas under its administrative guidance on each lender's loan plans by reviewing past lending activities and taking the yen's foreign exchange rates into account. In the second half of 1983-84, ended March 31, overall yen-based syndicated loans were set at an estimated Y700bn ($3.1bn), almost unchanged from the preceding six months.

Under the new guidelines, the Finance Ministry wants each lender to apply to its yen syndicated loan limit a "weighted balance" based on outstanding lendings, securities, fund transactions. As for foreign currency loans, each bank has already been permitted to lend up to 15 times its equity capital, bankers said.

One banker said that with the introduction of the new risk asset ratio formula on yen syndicated loans, the Ministry seemed keen to see more use of the Japanese currency in overseas loans as a step to help internationalise the yen and expand the financial market here.

The Japanese Ministry has told banks to use the new weighted balance system and report their new yen syndicated loan plans to it.
Reuter

Israeli bank assets up

TEL AVIV – United Mizrahi Bank, Israel's fourth largest bank, sustained losses in 1983 despite real growth in its consolidated group assets.

The bank made a net loss in 1983 of Shekels 948m ($5.9m) adjusted for inflation, which reached 191 per cent in 1983. The gross operating profit was Shk 1.292.

The Mizrahi group's consolidated assets at the end of 1983 were Shk 466.7bn, showing area growth after allowing for inflation of 29.3 per cent on 1982 assets of Shk 131.2bn.

In dollar terms, the group assets were $4.33bn, showing a rise of 11 per cent.
AP-DJ

UK move by Canadian broker

BY ALEXANDER NICOLL IN LONDON

A VANCOUVER-based stockbroker, Continental Carlisle Douglas, opened an office in London yesterday with the aim of attracting investors to the fast-growing North American venture capital market.

Financing activity and trading volume on the Vancouver Stock Exchange have soared in the past few years. The exchange, setting easier listing requirements than other North American exchanges, has provided a source of development capital for small companies, mainly in energy exploration and minerals.

Continental Carlisle says it is the second largest trader by volume on the Vancouver exchange, trading between 12 and 14 per cent of total value. It is the only Vancouver-based broker to set up an office in London.

Mr Maurice Blaber, who formerly headed North American Trading at London stockjobbers, Akroyd and Smithers, will run the office. He said the Canadian firm was attracted to London by growing investor interest in the venture capital market and by the rapidly changing structure of UK financial markets.

Under a recent relaxation of Stock Exchange rules, London stockbrokers can set up international dealerships enabling them to act as market-makers and agents in overseas stock trades. Market-making was previously an exclusive preserve of jobbers.

Continental Carlisle would be entitled to own a minority interest in such a dealership, with a London Stock Exchange member holding the majority.

Mr Blaber, despite his experience as a jobber, says there is no plan at present to get involved in such a venture. But noting that UK Stock Exchange reform will probably sweep away the barriers between market-making and broking, he added: "As the market-place develops here, it would be foolish to say we wouldn't be interested in market-making."

Continental Carlisle will at present seek to convince institutional and small investors in Europe of the benefits of the Vancouver market. The firm's senior officials frankly admit venture capital has high risks as well as high rewards, but stress the regulatory and monitoring role of the exchange.

Continental Carlisle will promote a select list of North American stocks to European investors. The investors already account for 10 to 15 per cent of volume on the exchange. New listings raised $205m last year and total trading volume was nearly C$4bn. Continental Carlisle will offer information and trading facilities on all 1,400 stocks listed on the exchange.

Modest rise for Phibro Salomon

By Paul Taylor in New York

PHIBRO-SALOMON, the Wall Street-based international commodity trading and investment banking group, yesterday reported a slight increase in first quarter net earnings, mainly reflecting lower tax charges.

The group said its net earnings increased to $120m or 84 cents a share (79 cents a share fully diluted) from $116m or 84 cents a share (77 cents a share fully diluted) on revenues which increased by 9 per cent. This came despite the sharp downturn in the U.S. securities markets in the first quarter and an 8 per cent decline in pre-tax earnings, which fell to $176m from $192m in the year ago period.

Mr David Tendler and Mr John Gutfreund, co-chairmen of the group, said that Salomon Brothers, the investment banking firm, "achieved very satisfactory results in a period marked by decline in stock and bond prices and lower levels of capital market activity."

Heavy write-off will hit MCI

By Our Financial Staff

MCI Communications, the fast-growing U.S. telecommunications group, is to take a $49.8m pre-tax writedown on the value of international telex equipment at its Western Union International subsidiary.

The move will hit MCI's fourth-quarter earnings, to be released early next month, but the company still expects to report a profit.

Indonesian oil boosts earnings for Socal

BY OUR FINANCIAL STAFF

STANDARD OIL Company of California (Socal), which is awaiting final clearance for its $13.2bn takeover of Gulf, boosted first-quarter net income by 22 per cent to $376m.

The company attributed the earnings gain primarily to improvement in worldwide exploration and producing operations with increased Indonesian crude oil output of "particular significance."

In the first quarter of last year, the company's Indonesian production was relatively low in anticipation of a cut in Opec prices.

Earnings per share in the latest quarter were $1.10, against $0.91. U.S. petroleum earnings rose 16 per cent to $137m and non-U.S. by 17 per cent to $180m. By contrast, worldwide refining and marketing operations reported a loss of $17m compared with a profit of $51m.

Phillips Petroleum, one of the larger U.S. integrated oil companies, lifted first quarter net earnings by $64m to $193m or from 84 cents to $1.26 a share. Revenues were ahead to $3.9bn, against $3.84bn.

Substantially better refining, marketing and chemicals more than offset lower exploration and production earnings. Worldwide crude production rose 16 per cent during the quarter but prices were lower.

Diamond Shamrock, the Dallas-based oil and gas group, turned in first-quarter net income of $59.5m or 63 cents. This was 36 per cent up on the 1983 fourth-quarter result before a $194m-plus write off on oil leases, and was up from $4.6m, or 7 cents, on the year ago three months. Revenues this time were $1.1bn, against $835m a year earlier.

Kuwait seeks Getty Oil stake

BY YOKO SHIBATA IN TOKYO

KUWAIT PETROLEUM, owned by the Kuwait Government, is believed to have approached the Japanese authorities for permission to buy part or all of Getty Oil's 50 per cent stake in Mitsubishi Oil, Japan's fifth largest refiner and distributor of oil products.

However, its approach is expected to run into objections from the Ministry of International Trade and Industry (MITI).

Ownership of the Getty stake will pass to Texaco if, as is widely expected, the U.S. anti-trust authorities allow its proposed takeover of Getty to go through.

Texaco has not publicly stated its intentions towards the Mitsubishi Oil holding. But it is believed to have retained Morgan Stanley, the New York investment bank, to assess the value of the shares – apparently substantiating the numerous reports here that it will put them up for sale.

Last week, senior Texaco executives held talks with companies in the Mitsubishi group, whose current direct holdings in Mitsubishi Oil amount to some 6.5 per cent.

Although further negotiations are expected, the Mitsubishi companies are understood to have baulked at paying anywhere near the Y500-600 ($2.66) a share price to which Mitsubishi Oil shares have been driven by intense speculative interest.

Pitney Bowes set to meet target

BY TERRY BYLAND IN NEW YORK

PITNEY BOWES, the world leader in postage meters and mailing equipment, is on target for Wall Street forecasts of a 13 per cent rise in net earnings this year.

Mr George Harvey, chairman, reported a 28 per cent gain to $29.8m for the first quarter from continuing operations. He said estimates from major analysts of earnings of between $3.40 and $3.50 a share for the full year seemed "reasonable."

The first three months brought a new peak in both earnings and in sales which, at $421.3m, put on 12 per cent. Mr Harvey sees "a strong trend in all our businesses" with all indications pointing to a good year in 1984.

The sharpest rise in both sales and operating profits came in the U.S. with gains of 15 per cent and 34 per cent respectively. In European markets, the results remained flat.

Limited to raise bid for Hawley

By Our New York Staff

THE LIMITED, the Columbus-based women's wear retailer, is planning to raise its bid for Carter Hawley Hale by $5 per share, in an all-cash offer valuing the old-established U.S. department store group at $1.3bn.

The announcement comes on the eve of a further step in The Limited's legal battle to block a defensive move by Carter Hawley Hale to insulate itself from The Limited's unwelcome overtures. Carter Hawley Hale has bought in more than a third of its shares and has sold a large block of preferred shares to a friendly party, General Cinema, which gives the latter a voting stake of more than a fifth.

The Limited says it is discussing additional financing with its banks. It plans to offer $35 per share for 20.3m shares of Carter Hawley, and the rest of the company's shares which are not tendered will be purchased in a cash merger at the same $35 a share price.

According to The Limited, the revised offer would be conditional on Limited being satisfied that Carter Hawley Hale would not be in default under its loan agreements, that the $300m of preferred stock issued by Carter Hawley Hale to General Cinema would remain outstanding.

Depending on the completion of financing arrangements The Limited is considering making the revised offer today. After the merger, the plan is that Limited would own all Carter Hawley Hale's common shares and General Cinema would continue to hold the $300m of Carter Hawley Hale preferred.

Nedbank

Group Interim Report and Dividend Announcement

For the six months ended 31 March 1984

Interim Report

The unaudited net operating income after provision for taxation and after transfers to internal reserves amounts to R50,4 million which represents an increase of 13% over the same period last year.

General

The demand for credit strengthened as spending and production in the South African economy recovered in the second half of 1983. The import bill, boosted also by maize imports, reflected the revival. The gold price declined over these months and non-gold exports responded in only a muted way to the international economic upswing. The financial year of the Group therefore started with the current account of the balance of payments in deficit and the gold and foreign exchange reserves under pressure. These developments, together with a tightening of the monetary policy stance, again put pressure on interest rates.

To minimise disruption and reduce the pressure on interest rates the Reserve Bank reduced the banks' liquid asset ratios on two occasions and also entered into repurchase agreements. The net result nevertheless was continued pressure on margins. Towards the end of the first half of the Group's financial year the growth of lending volumes started to slow, indicating that the economic revival of the second half of 1983 may not have been sustained in 1984.

The present uncertain balance of payments and a second year of poor agricultural crops make the start of a new upswing phase in the domestic economy during the Group's current financial year unlikely.

Dividend Announcement

It is the intention of the board to decrease to some extent the disparity between the interim and final dividend and accordingly an interim dividend in respect of the year ending 30 September, 1984 of 21 cents (1983: 17,5 cents) per share has been declared payable to shareholders registered in the books of the company at the close of business on 4 May 1984, which represents an increase of 20% over the interim dividend in respect of the 1983 financial year. The transfer books and register of members will be closed on 5 May 1984 and will reopen on 14 May 1984. Dividend cheques will be posted on or about 4 June 1984. Non-resident shareholders' tax will be deducted where applicable.

D. A. Peterson
Secretary

Consolidated Income Statement

	6 months to 31.3.84 000's	12 months to 30.9.83 000's	6 months to 31.3.83 000's	12 months to 30.9.82 000's
Taxed banking and other income after transfers to internal reserves attributable to shareholders of Nedbank Group Limited	R50 377	R121 587	R44 484	R88 588
Surplus on disposal of long-term investments	—	—	—	R1 540

Notes
1. The figures included in the interim report are unaudited.
2. The above is an abbreviation of the consolidated income statement of the Group.

Salient Financial Information

	6 months to 31.3.84 000's	6 months to 31.3.83 000's	12 months to 30.9.83 000's	12 months to 30.9.82 000's
Issued fully paid shares of R1 each	89 813	88 598	88 690	88 417
Taxed income attributable to Nedbank Group shareholders	R50 377	R44 484	R121 587	R88 588
Earnings per share	56,1c	50,2c	137,1c	100,2c
Dividends per share	21,0c	17,5c	68,0c	50,0c
Group shareholders' funds	R490 329	R421 992	R447 709	R388 943
Total assets	R11 188 365	R9 086 466	R10 586 617	R8 137 047
Credit facilities to the public	R6 286 762	R4 179 414	R5 180 380	R3 716 549
Deposits from public and other accounts	R8 926 867	R6 885 320	R8 456 245	R6 055 945
Surplus capital funds	R224 000	R96 000	R131 000	R110 000

Note
In calculating the earnings and dividends per share no account has been taken of 1 464 102 partly paid shares of R1 each, issued in terms of the executive share trust scheme.

Nedbank Group Limited is a banking and financial services holding company listed on The Johannesburg Stock Exchange. It is South African owned, controlled and managed, with 98 per cent of its capital in South African hands.
The Group's operating companies cover the whole spectrum of financial services – from the needs of the individual to those of larger corporate clients.
The companies maintain strong international profiles with overseas branches, associated companies and a large network of correspondent banks.

JSA 50

Nestle sales move ahead sharply

BY JOHN WICKS IN ZURICH

SALES gains of 9 per cent, or 5 per cent in terms of the physical volume of goods sold, are reported by Nestle for the first quarter of 1984.

At a Press conference in Zurich yesterday, the Swiss foods group said 1984 was likely to prove another good year for profits following the after tax gains of 15 per cent posted for 1983.

The company also confirmed that it would shortly—possibly this week—be tabling a formal offer worth SwFr 1.1bn ($500m) for Coopervision, the U.S. ophthalmological group.

It said further acquisitions were planned for this year and that currently some 25 takeover projects were under investigation. Nestle said it had earmarked major funds for this purpose.

At the end of 1983, the group had cash, securities and deposits in its balance sheet totalling SwFr 5.24bn ($2.2bn). When reporting the 1983 results earlier this month, Nestle unveiled plans for a rights issue.

The bid for Coopervision lengthens the list of deals Nestle has recently completed or is currently involved in. It acquired Warner Cosmetics of the U.S. for $300m last year, and expects to pay between $150m and $200m for Hills Brothers.

Nestle expects a "positive reaction" from Coopervision shareholders to its bid, and sees no U.S. legislative problems. Only "one or two" Coopervision products could be affected by the anti-trust regulations, it said.

The board has approved capital spending of SwFr 2.4bn, of which about SwFr 1.2bn is likely to be spent during 1984. Last year SwFr 1.12bn was invested from a total projected spending of SwFr 2.2bn.

Net profits last year rose to SwFr 1.26bn on sales 1 per cent higher at SwFr 27.9bn. The dividend is going up from SwFr 96 to SwFr 109 a share.

Roche raises profits and dividend

By Our Zurich Correspondent

INCREASED profits and a higher dividend are announced for 1983 by Hoffmann-La Roche, the Swiss chemical and pharmaceuticals group.

Group profits have risen to SwFr 328.4m ($148.5m) after tax from the SwFr 281.2m returned for 1982. The dividend is going up from SwFr 550 a share to SwFr 575.

The earnings improvement comes from a noticeable widening of margins. Net profits are 16 per cent ahead, whereas at SwFr 7.5bn sales have managed a growth of just 6 per cent.

● Enka, the West German arm of the Dutch chemical group, Akzo, reports an increase from DM 47.3m to DM 82.4m ($30m) in net profits for 1983.

The dividend to independent shareholders—Akzo owns 97.2 per cent of Enka shares—is to be DM 6.7 a share. They received DM 2.7 for 1982.

Sales improved from DM 2.3bn to DM 2.35bn

BASF to lift payment

By Jonathan Carr in Frankfurt

BASF, the West German chemical concern, proposes to increase its dividend to DM 7 from DM 5 per share, after boosting worldwide after-tax profit to DM 517.2m ($193m) last year from DM 274.6m in 1982.

All the "big three" German chemical companies have already announced big increases in profits and turnover for 1983. Hoechst said last week it planned to increase its dividend to DM 7 from DM 5.50, and Bayer is expected to make a similar statement shortly.

U.S. Steel bounces back into the black in opening quarter

BY TERRY BYLAND IN NEW YORK

U.S. STEEL, which remains the largest producer of steel in the country although its acquisition of Marathon Oil in 1982 established it as a major energy group also, turned round strongly into profit in the first quarter of the year. Steel and energy-related activities edged into the black with an operating profit of $4m compared with a loss of $227m in 1983's comparable period.

Net earnings for the group totalled $171m or $1.35 a share, compared with a loss of $118m or $1.31 in the 1983 first quarter. Sales advanced from $3.9bn to $4.8bn.

Operating income from the oil and gas divisions was 363m on sales of $2.6bn, compared with $56m and $1.9bn. The increase reflected better profit margins on refined oil products, together with increased payments from foreign crude and higher production of natural gas throughout the world.

Mr David Roderick, chairman, commented that the profitability in steelmaking was achieved despite "significant expenses" involved in starting up a new pipe mill and the restart of steelmaking and finishing facilities at the Fairfield plant.

He expects all the group's major business divisions to remain profitable throughout 1984, helped by improving markets, and the board's rationalisation and cost-cutting measures.

● Mr Harry Holiday, chairman of Armco, sixth largest of the U.S. steelmakers, said the group broke even on continuing operations in the first quarter and that he expected 1984 as a whole to be profitable. Armco turned in losses of $128.4m for the first quarter and $672.5m for the full 1983 year, but these included substantial provisions for plant closures.

Record earnings forecast for year at Borg-Warner

BY TERRY DODSWORTH IN NEW YORK

BORG-WARNER, the diversified U.S. capital goods, chemicals and financial services group, is forecasting record earnings this year following a 41 per cent increase in first quarter profits.

Earnings rose to $50.2m net, or 55 cents a share, against $35.5m, or 40 cents in 1983, while sales went up by 16.5 per cent from $813.5m to $947.8m.

Mr James Bere, chairman, said that the financial services division's earnings had been hit by additions to reserves in the casualty insurance activities, reducing earnings by 7 cents a share, or around $5.7m.

Strong performances from the company's transportation equipment, chemicals and plastics and protective services divisions led the recovery, said Mr Bere. The air conditioning activities also showed a slight improvement.

Speaking at the annual meeting, he added that, despite the collapse of the joint venture talks with Clark Equipment, he believed that such combinations would be essential in the future. The company was looking into other possible joint ventures with standard transmission manufacturers in Japan, West Germany and the U.S.

Zoppas named as Zanussi chairman

By Our Financial Staff

ZANUSSI, Europe's largest electric appliances manufacturer, has named Sig Gian Franco Zoppas as chairman. He succeeds Sig Umberto Cuttica.

Sig Zoppas (41) married into the Zanussi family which controls 90 per cent of the troubled white goods group.

Sig Cuttica resigned after less than a year at the head of the company, during which time he launched a restructuring programme aimed at cutting loss-making operations.

Zanussi's losses totalled L130bn ($79m) in 1982. Results for 1983 have not yet been published but the deficit is expected to be even bigger.

Minebea to expand production in Japan

TOKYO – Minebea, which claims a 30 per cent share in the U.S. precision ball bearing market, is branching into memory-chip production under licence agreements with Japanese and U.S. semiconductor makers.

Company officials said Minebea had in mind two or three makers as its partners but refused to name them. They said an unspecified number of foreign and Japanese engineers would be recruited for the operation.

A new production and marketing subsidiary, NMB Semiconductor, will be set up next month and a factory to be built at Tateyama, east of Tokyo, would go into operation in May next year, a Minebea spokesman said.

Minebea would initially own 18 per cent of NMB Semiconductor and boost its equity stake to 59 per cent after the subsidiary floated a Y2.5bn ($11.1m) convertible bond issue, all to be purchased by the parent firm.

Agencies

Ericsson in computer deal

By Andrew Baxter

ERICSSON, the Swedish telecommunications and information systems group, is entering the market for advanced computer workstations used by the technical and scientific sectors through a business agreement with Sun Microsystems of the U.S.

The two companies yesterday announced an international distribution agreement under which Ericsson will have exclusive rights to sell Sun's workstations—desktop machines with the capacity of minicomputers and advanced networking capabilities—in the Nordic countries. This part of the deal is worth between $25m and $30m to Sun over the next three years.

However, Ericsson, which has a 3 per cent indirect stake in Silicon Valley-based Sun, will also buy the U.S. company's workstations to build them into its communications and computer systems for sale worldwide.

Hoogovens on course for major recovery in 1984

BY WALTER ELLIS IN AMSTERDAM

HOOGOVENS, the leading Dutch steel group, confirmed yesterday that it expects to move into the black this year after five straight years of losses.

In the first quarter of 1984, a substantial pre-tax profit was recorded, and the company expects its half-year report, due out in August, to confirm its optimism.

The company's five-year recovery plan, costing Fl 2.5bn ($828m), including Fl 1.3bn in aid from the state, is now moving towards the half-way mark, and government and shareholders both appear satisfied with progress.

Hoogovens subsidiaries, which include aluminium and cement activities, were already in profit last year. The steel division has cut capacity and plans the early installation of new plant. The workforce has fallen to 28,500 from 31,000 five years ago, and a further 750, or so, redundancies are planned between now and the end of 1985.

Mr Jan Hooglandt, chairman, said "the first months of 1984 reveal a clear revival of (world) economic fortunes. Even though this revival still leaves out investment in the means of production, it can be seen from a longer perspective that we may be at the beginning of a structural recovery."

For the steel industry this had important implications. For Hoogovens, it had meant that planning, up to the present moment, had not kept up with demand, and it was clear that this tendency would continue throughout the year. Prices had stabilised and there were indications, for most products, of an upwards trend.

"Barring unforeseen, exceptional circumstances, we should make a profit this year in steel. In the diversified sector and in steel processing, we expect further positive results."

Hoogovens stresses that costly investment will have to continue alongside cost-saving measures for some time to come.

Pension debit hits French Mobil

BY PAUL BETTS IN PARIS

MOBIL OIL Francaise, the French subsidiary of the U.S. Mobil group, yesterday reported a FFr 801m ($97m) loss for 1983, compared with a deficit of FFr 80m the year before.

The heavy deficit reflects a FFr 752m extraordinary provision to cover the subsidiary's employee benefit pension plan reserve and similar liabilities.

The company made the provision like other French oil groups following a ruling last year by the Conseil d'Etat, the leading French judicial authority, enabling major enterprises to make such provisions in their accounts.

Excluding the provision, Mobil's French subsidiary saw its operating losses last year decline sharply to FFr 134m from FFr 831m in 1982.

Sales last year totalled FFr 13bn compared with FFr 11.6bn in 1982. French refinery runs totalled 6.1m tonnes of crude last year or 4.5 per cent less than in 1982.

The company blamed in large part the French government price fixing formula for oil products for its deficit. At the same time, however, it continues to rely heavily on Saudi Arabian crude. Saudi Arabia supplied about 50 per cent of the subsidiary's oil needs last year.

Mobil Oil Francaise continued to operate in the red during the first quarter of this year. But M Georges Racine, the president, said yesterday that the situation had improved recently and that in unchanged circumstances the company would be near breakeven this year.

Fine terms for $500m Malaysia credit

BY PETER MONTAGNON IN AMSTERDAM

MALAYSIA is raising $500m through a 10-year Eurocredit to be led by Chase Manhattan, Industrial Bank of Japan and Malayan Banking.

As expected, it has won fine interest margins for the borrowing, part of which will be arranged on a special tax-spared basis which allows participating banks to increase their earnings on the loan through a tax credit in the UK.

This portion of the loan, which amounts to $100m, will bear a margin of only ⅛ per cent over the London interbank offered rate for Euro dollar deposits (Libor). The remaining $400m, portion will bear interest at ¼ per cent over the mean of the bid and offered rate for Eurodollar deposits for the first four years and ⅜ per cent over Libor thereafter.

Use of the mean between the bid and offered rates for deposits as a reference interest rate is very rare in the Eurocredit market, although it has been used for floating rate notes. Effectively, it means that banks will receive a margin of ⅛ per cent over Libor for the first four years, reducing their overall return on the loan. Repayments begin after a grace period of 5½ years.

The low margin, combined with the long maturity of the credit and the absence of an option for lenders to subscribe at a margin over the lucrative prime rate, confirms once again the favourable conditions available to the few top quality borrowers now seeking money in the Eurocredit market. Some bankers had, however, expected Malaysia to be able to command an even lower margin of ⅛ per cent over Libor for at least part of the loan's life.

Also expected soon in the loan market is Thailand. Bankers attending the Asian Development Bank annual meeting in Amsterdam say that Thailand is looking for a relatively small loan of between $100m and $200m and Japanese banks are already showing keen interest.

New Ford diesel Transit spearheads Europe fightback and UK revolution

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

FORD TODAY brings a new element to the intensely competitive Western European market for medium commercial vehicles with the launch of Transit vans powered by its new 2.5 litre direct injection diesel engine.

The company expects the new engine to enable it to regain lost ground in Italy and West Germany, to build on a successful defence of the Transit in France, and in the UK to promote a diesel revolution in the medium sector of the commercial vehicle market.

Ford says the direct injection diesel is the first in the world of its type, and that it gives "best in the class" fuel consumption figures as well as cuttine maintenance costs considerably.

"This engine provides a superb marketing opportunity for us," maintains Mr Neil O'Sullivan, director of truck sales and marketing, Ford of Europe.

It should certainly give the 19-year-old Transit a new lease of life until it is replaced. Faced with competitors no more than three years old — including the Volkswagen Transporter, Renault Trafic, Fiat Ducato, Peugeot J5, Citroen C25, Talbot Express and the Toyota Hiace — Transit's West European market share has fallen steadily from a peak of 20 per cent in 1975 to 13 per cent last year.

Ford believes the medium sector will be the fastest growing in Europe's commercial vehicle market, rising from 647,000 units last year to at least 710,000 in 1990 — and possibly even to 750,000. And the diesel content of such sales are furecast by the company to increase from the current 55 per cent to 85 per cent, with every market bar the UK and West Germany switching almost entirely to diesel power.

Ford aims to take advantage of the long-term growth by increasing capacity for Transit diesels by 30 per cent to 110,000 a year at the Dagenham, UK plant where the new DI engine has been brought into production at the cost of $158m.

That capacity is enough, says Ford, to provida diesel power for 80 per cent of future Transit output — thus indicating that it expects the Transit's successor to reach annual sales of about 135,000 compared with the 88,000 prodnced last yesr.

In spite of the fact that Transit sales are well below those of Ford's car models, the van is much more important to the group's dealers on the Continent than the volume might suggest. Vans do higher mileages and so provide more work for service and parts departments. There is hardly any do-it-yourself servicing on vans and the low volumes have kept the independent manufacturers and retailers from muscling in on the Transit parts business, which it not the case with car parts.

In the immediate future, Ford particularly wants tn stop the rot which set in rapidly in Italy. Until 1981 Ford bad 30 per cent of the medium commercial market in Italy with the Transit, leaving Fiat marginally behind with 29.9 per cent even though Fiat was offering three vans in competition—the 238, tha 242 and the Daily.

Ford had a diesel van but Fiat did not in a country where diesel fuel has been on avaraga one-third cheaper than petrol. The Transit was launched with a diesel engine option—a unit bought from Parkins in tha UK —and in 1972 Ford introduced its own York, 62 bhp diesel.

Up to 1981, Italy was by far tha largest market outside of the UK for the Transit. Britain took roughly half the output and Italy 24 per cent, and 99 per cent of Transits sold in Italy were diesels.

Then in 1981 Fiat launched its Transit competitor, the Ducato, and included the option of a diesel engine. Transit sales in Italy bave halved since then and Ford's share of the Italian medium commercial market was down to only 17 per cent last year.

Even so, Italy, with 14 per cent of total Transit registrations, remained the major market apart from the UK, followed by West Germany, taking just under 14 per cent, and France, with 5 per cent.

Mr O'Sullivan maintains that the new DI diesel should belp Ford move back to a 20 per cent sbare of the medium commercial business in Italy.

Ford will also introduce to Italy a low-priced petrol version of the Transit to appeal to owners of the rapidly ageing Fiat 238 vans who cannot afford the Ducato even in its petrol-engined version, let alone the higher-priced diesel. Van makers charge between $700 ann $1,500 extra for a diesel engine, compared with a petrol type, depending on which European market they are sold in.

In West Germany, the Transit was holding about 10 per cent of its market sector until the middle of last year, when a price war broke out between Volkswagen and the Japanese. Ford did not join in wholeheartedly, and its sbare was clipped to 8 per cent and is still falling.

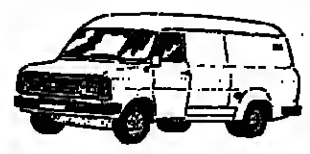
VW, Europe's leading medium commercial prodncer with an outpnt in Germany of 116,300 Transporter and LT vans last year (plus 40,300 outside Germany), had been losing grnund to the Japanese in Nordic countries in particular, and was in no mood to lose more share in its domestic market.

Mr O'Sullivan says: "Germany responds to new technology. Customers like to be seen with the latest technology and the DI diesel should belp us considerably regain lost ground." Ford wants to rebuild penetration to 12 per cent of the medium segment

There are incremental sales to be made, because in 1983 only 32 per cent of the Transits sold in Germany had diesels, whereas the market average was 46 per cent. Ford expects to increase the diesel content of Transit registrations to 45 per cent, while the market average moves up to 70 per cent, by 1990.

In France, the Transit has maintained a market sbare of around 5 per cent in spite of the new French vans becoming available.

The company exploited the gap between the prices charged for the new vans and the old French vehicles being replaced by offering low-cost versions of the Transit. The Ford van also



has been successfully promoted in motor caravan form

Although Britain is the best market for the Transit—it bas 33 per cent of total medium commercial sales and 40 per cent of medium van registrations—introduction of the DI diesel to the UK is not high on Ford's list of priorities.

Ford has little chance to improve its market share with the new power unit, because the UK has a low mix of diesei vans in the total—only 16 per cent.

This is reflected by the output at tha Southampton, UK, plant, wbere currently only 20 per cent of the Transits leave with diesel engines, compared with the other major Ford van plant, at Genk, Belgium, wbere the mix is 60 per cent. Southampton will not begin to install the new DI diesel until the last quarter nf 1984. The Transit is also assembled in Portugal.

However, Ford reckons that by 1990 the diesel content of medium commercials sold in Britain will be up to 48 per cent.

Mr O'Sullivan says Fnrd will turn the market in that direction with the DI diesel which in Britain, as in the rest of Europe, will be priced very competitively, with only a small premium nn the existing York diesel. "We want operators to be able to see quite clearly they can cover the extra cost in about six months."

MEDIUM COMMERCIAL VEHICLE MARKET SHARES IN WESTERN EUROPE

	1971	1975	1980	1983
Total units	444,000	411,000	665,000	647,000
	%	%	%	%
Volkswagen	29.9	21.7	20.2	16.5
Ford	16.0	20.0	18.5	13.0
Japanese	0.3	3.0	11.8	18.5
Peugeot-Citroen-Talbot	n.a.	14.4	11.1	9.9
Daimier-Benz	8.1	9.4	8.8	8.9
Fiat	8.8	6.7	6.4	8.9
Renault	5.3	5.0	3.2	8.6
BL	6.5	5.9	4.3	4.1
GM (Bedford/Isuzu)	6.5	6.0	6.8	4.0

n.a. not available

INTERNATIONAL COMPANIES and FINANCE

North American Quarterly Results

ALGOMA STEEL
Steelmaker

First quarter	1984 C$	1983 C$
Revenue	283.8m	160.8m
Net loss	18.2m	32.6m
Net per share	—	—

AMF
Industrial & leisure products

First quarter	1984 $	1983 $
Revenue	240.5m	209.7m
Net loss	1.6m	3m
Net per share	0.08	0.13

AVON PRODUCTS
Cosmetics, jewellery

First quarter	1984 $	1983 $
Revenue	692.2m	666.5m
Net profits	26.7m	26.8m
Net per share	0.36	0.36

BEATRICE FOODS
Food processing

Fourth quarter	1983-84 $	1982-83 $
Revenue	2.23bn	2.27bn
Op. net profits	78m	80m
Op. net per share	0.79	0.76
Year		
Revenue	9.3bn	9.13bn
Op. net profits	334m	321bn
Op. net per share	3.23	3.06

BECTON DICKINSON
Health care products

Second quarter	1983-84 $	1982-83 $
Revenue	285.8m	292.6m
Net profits	13.57m	16.54m
Net per share	0.65	0.78
Six months		
Revenue	541.8m	548.5m
Net profits	25.82m	34.16m
Net per share	1.23	1.61

BRISTOL-MYERS
Drugs, toiletries

First quarter	1984 $	1983 $
Revenue	1.08bn	963m
Net profits	110m	92.1m
Net per share	0.81	0.68

CONSOLIDATED EDISON
Utility

First quarter	1984 $	1983 $
Revenue	1.45bn	1.35bn
Net profits	154.08m	109.84m
Net per share	1.11	0.78

DOMINION TEXTILE
Textiles

Third quarter	1983-84 $	1982-83 $
Revenue	208.7m	203.7m
Net profits	4.9m	4.6m
Net per share	0.34	0.35
Nine months		
Revenue	623.4m	585.5m
Net profits	15.2m	0.1m
Net per share	1.04	0.55

FINANCIAL CORP OF AMERICA
Savings & loans

First quarter	1984 $	1983 $
Revenue	722.4m	251.4m
Net profits	44.2m	30m
Net per share	0.91	1.30

GOTAAS-LARSEN
International shipping company

First quarter	1984 $	1983 $
Revenue	39.9m	32.2m
Net profits	6.29m	†1.7m
Net per share	0.58	†0.16

†Loss

HERSHEY FOODS
Chocolate, restaurants

First quarter	1984 $	1983 $
Revenue	435.4m	421.8m
Net profits	19.6m	23.8m
Net per share	0.82	0.76

IU INTERNATIONAL
Trucking, waste handling

First quarter	1984 $	1983 $
Revenue	594m	471m
Net profits	7.74m	0.52m
Net per share	0.28	0.01

JWT GROUP
Advertising, PR

First quarter	1984 $	1983 $
Revenue	120.8m	102.9m
Net profits	3.7m	1.1m
Net per share	0.62	0.20

KERR-McGEE
Energy, mining

First quarter	1984 $	1983 $
Revenue	895m	851m
Net profits	40.3m	23.7m
Net per share	—	—

NATIONAL GYPSUM
Gypsum products

First quarter	1984 $	1983 $
Revenue	389.9m	231.1m
Net profits	24.2m	3.5m
Net per share	1.55	0.22

NEW YORK TIMES
Diversified media business

First quarter	1984 $	1983 $
Revenue	297.3m	258.4m
Net profits	24.5m	19.8m
Net per share	0.62	0.51

NORFOLK SOUTHERN
Railway holding co.

First quarter	1984 $	1983 $
Revenue	884.7m	735.2m
Net profits	103.2m	56.8m
Net per share	1.84	0.91

PACCAR
Heavy duty trucks

First quarter	1984 $	1983 $
Revenue	541.1m	288.4m
Net profits	21.3m	5.5m
Net per share	1.17	0.31

ROYAL TRUSTCO
Trust company

First quarter	1984 C$	1983 C$
Assets	10bn	9bn
Net profits	17m	15m
Net per share	0.78	0.66

SINGER
Sewing machines, defence prdz.

First quarter	1984 $	1983 $
Revenue	630.2m	603.2m
Op. net profits	11.8m	3.1m
Op. net per share	0.60	0.16

SMITHKLINE BECKMAN
Drugs, instruments

First quarter	1984 $	1983 $
Revenue	718.7m	679.7m
Net profits	133.6m	124.8m
Net per share	1.61	1.50

SANTA FE SOUTHERN PACIFIC
Railway

First quarter	1984 $	1983 $
Revenue	1.64bn	1.39bn
Op. net profits	107m	21.6m
Op. net per share	0.65	0.13

SQUIBB
Drugs, cosmetics

First quarter	1984 $	1983 $
Revenue	428.9m	404.2m
Net profits	36.9m	33.3m
Net per share	0.69	0.64

TEXAS EASTERN
Gas pipelines, oil

First quarter	1984 $	1983 $
Revenue	1.5bn	1.5bn
Net profits	59.2m	37.6m
Net per share	2.28	1.45

TORONTO SUN PUBLISHING
Newspapers

First quarter	1984 $	1983 $
Revenue	74.4m	28m
Net profits	1.4m	2.2m
Net per share	0.17	0.27

TIGER INTERNATIONAL
Air freight

First quarter	1984 $	1983 $
Revenue	318.1m	278.4m
Net profits	7m	38.1m
Net per share	0.34	2.25

WARNER LAMBERT
Drugs, consumer products

First quarter	1984 $	1983 $
Revenue	777.4m	765.6m
Net profits	54.18m	46.11m
Net per share	0.68	0.58

ZENITH RADIO
Consumer electronics

First quarter	1984 $	1983 $
Revenue	372.7m	333.1m
Net profits	14m	8.3m
Net per share	0.64	0.44

First loss in 30 years at Indian Aluminium

BY P. C. MAHANTI IN CALCUTTA

INDIAN ALUMINIUM, the country's largest private producer of aluminium, suffered the first loss in its 30-year history in 1983, of Rs60.2m ($5.57m). This compared with a Rs83.1m profit in 1982.

Prolonged power cuts, sharply rising raw materials prices and the government's refusal to permit increases in controlled prices (which cover 50 per cent of the total output under the existing distribution system) all contributed to the setback.

Sales totalled only Rs1.6bn compared with Rs2.12bn in 1982.

A dividend of 60 cents per share has been paid, half the 1982 pay-out.

Increasingly severe power shortages in the states where the company's smelters are located hit production so hard that output fell to 51,000 tonnes, representing a capacity utilisation of only 44 per cent, compared with production of 70,250 tonnes in 1982 with a capacity rate of 60 per cent.

The company plans to install captive power facilities at its Hirakud smelter in Orissa state, but lacks the means to finance this development on its own. Had the merger with Mahindra and Mahindra of Bombay gone through, the funding problem might have been taken care of. Since the merger move failed, Indian Aluminium is thinking of applying to a consortium of banks for finance.

The state electricity boards have raised their tariffs so high that the ratio of power cost to total cost now stands ot 37 per cent, as against the international norm of 20 per cent.

Erratic and irregular power supplies have made matters worse. The Hirakud smelter has been totally shut down due to a shortage of power normally supplied by the Orissa State Electricity Board.

Indian Aluminium's directors claim their company is one of the most efficient producers in the world, and accuse the government's pricing policy of eroding its profitability.

The maximum 12 per cent return allowed to a capital intensive industry is, they argue, insufficient to generate resources even for essential replacement and modernisation.

"We are convinced that the aluminium industry in India cannot withstand another year like 1983 with delayed price compensation idling smelters and escalating power tariffs."

Strong first quarter for Matsushita Electric

BY YOKO SHIBATA IN TOKYO

MATSUSHITA Electric Industrial, the world's largest consumer electric and electronics manufacturer, lifted gronp net profits by 49 per cent to Y51.95bn ($230m) in its first quartar to February 1984. Tha strong performance came from a favourabla sales pattern in Video tape recorders (VTRs), electronics components, and office automation equipment, supported by continued strength in the U.S. market.

Sales rose by 25 per cent to Y143.17bn. Net profits per share improved from Y22.32 to Y32.78.

Sales of video equipment, including VTRs, tapes and televisions, advanced by 26 per cent to represent 37 per cent of the total. Communication and industrial equipment sales jumped by 44 per cent to account for 15 per cent, and electronic components sales centring on semiconductors surged by 66 per cent to account for 12 per cent. Andio equipment sales recovered by 5 per cent to account for 11 per cent.

Domestic sales increased by 20 per cent to account for 51 per cent nf the total.

Conplant and UEP in joint venture

By Wong Sulong in Kuala Lumpur

CONSOLIDATED PLANTATIONS, the 63 per cent owned listed subsidiary of Sime Darby, and United Estates Projects, a major property developer, have announced a joint venture to develop a township for 100,000 people outside Kuala Lumpur.

Under the deal, Conplant will sell a rubber estate of nearly 1,000 acres to Seafield Jaya for 134.6m ringgit (U.S.$59m). Conplant will hold 70 per cent of Seafield Jaya, while UEP will hold the remaining 30 per cent.

The estate is adjacent to Subang Jaya, a growing township of 30,000 which is being developed exclusively by UEP.

Both Conplant and UEP said the Seafield Jaya township would be developed over 10 to 15 years, and would make a significant contribution to their earnings in the long term.

UEP, which is controlled by Mr Daim Zainuddin, an influential Malay entrepreneur and politician, is also buying o 36 per cent stake in Shaw Brothers Malaysia, the cinema and entertainment group for 50.4m ringgit.

Bank of Jazira lifts assets

By Our Financial Staff

BANK AL JAZIRA, the National Bank of Pakistan's banking venture in Saudi Arabia, reported unchanged profits for 1983 of SR 110m ($31.25m). However, the bank'a equity base increased by 53 per cent to SR 388m, and the total balance sheet rose from SR 7.22bn to SR 7.45bn.

The bank, which is mainly active in the money markets and foreign trade finance, opened six new branches in 1983, bringing the total to 23.

BASE LENDING RATES

A.B.N. Bank	8½%	Heritable & Gen. Trust	8½%
Allied Irish Bank	8½%	■ Hill Samuel	§8½%
Amro Bank	8½%	C. Hoare & Co.	†8½%
Henry Ansbacher	8½%	Hongkong & Shanghai	8½%
Armco Trust Ltd.	9½%	Kingsnorth Trust Ltd.	10½%
Associates Cap. Corp.	9 %	Knowsley & Co. Ltd.	9½%
Banco de Bilbao	8½%	Lloyds Bank	8½%
Bank Hapoalim BM	8½%	Mallinhall Limited	8½%
BCCI	8½%	Edward Manson & Co.	9½%
Bank of Ireland	8½%	Meghraj and Sons Ltd.	8½%
Bank of Cyprus	8½%	Midland Bank	8½%
Bank of India	8½%	■ Morgan Grenfell	8½%
Bank of Scotland	8½%	National Bk. of Kuwait	8½%
Banque Belge Ltd.	8½%	National Girobank	8½%
Barclays Bank	8½%	National Westminster	8½%
Beneficial Trust Ltd.	9½%	Norwich Gen. Tst.	8½%
Bremar Holdings Ltd.	9½%	People's Tst. & Sv. Ltd.	9½%
Brit. Bank of Mid. East	8½%	R. Raphael & Sons	8½%
■ Brown Shipley	8½%	P. S. Refson & Co.	8½%
CL Bank Nederland	8½%	Roxburghe Guarantee	9½%
Canada Perm't Trust	9½%	Royal Trust Co. Canada	8½%
Castle Court Trust Ltd.	9 %	■ J. Henry Schroder Wagg	8½%
Cayzer Ltd.	8½%	Standard Chartered	■8½%
Cedar Holdings	9 %	Trade Dev. Bank	8½%
■ Charterhouse Japhet	8½%	TCB	8½%
Choulartons	10½%	Trustee Savings Bank	8½%
Citibank Savings	¶9½%	United Bank of Kuwait	8½%
Clydesdale Bank	8½%	United Mizrahi Bank	8½%
C. E. Coates	9½%	Volkskas Limited	8½%
Comm. Bk. of N. East	8½%	Westpac Banking Corp	8½%
Consolidated Credits	8½%	Whiteaway Laidlaw	9 %
Co-operative Bank	*8½%	Williams & Glyn's	8½%
The Cyprus Popular Bk.	8½%	Wintrust Secs. Ltd.	9 %
Dunbar & Co. Ltd.	8½%	Yorkshire Bank	8½%
Duncan Lawrie	8½%		
E. T. Trust	9 %		
Exeter Trust Ltd.	9½%		
First Nat. Fin. Corp.	11 %		
First Nat. Secs. Ltd.	9½%		
Robert Fraser	9½%		
Grindlays Bank	‡8½%		
■ Guinness Mahon	8½%		
■ Hambros Bank	8½%		

■ Members of the Accepting Houses Committee.
* 7-day deposits 5.25%. 1-month 6%. Fixed rate 12 months £2,500 8% £10,000 12 months 6.25%.
† 7-day deposits on sums of: under £10,000 5¾%, £10,000 up to £50,000 6¼%, £50,000 and over 7¼%.
‡ Call deposits £1,000 and over 5¼%.
§ 21-day deposits over £1,000 6¼%.
¶ Demand deposits 5¼%.
¶ Mortgage base rate.

WORLD BANK

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT, WASHINGTON

6⅝% US$100,000,000
Swiss Franc-linked Bonds 1989

The interest payable on Coupon Nn. 2 due on April 27, 1984, as determined by the fiscal agent according to paragraph 6 of the Terms of the Bonds, is US$331.25 per bond of US$5,000 nominal.

Basle, April 25, 1984

Swiss Bank Corporation
Fiscal Agent

INSURANCE & INSURANCE BROKING

The above survey, due to appear in today's paper, will now be published on Saturday, April 28.

Spear & Jackson recovers with turnround to £1.2m

THE 1983 year was one of recovery for Spear & Jackson International with a turnround from taxable losses of £1.75m to profits of £1.22m.

A lower cost base combined with the economic recovery in both the U.S. and UK, although at a slower pace, to produce this major swing to profitability, the directors say.

And, they add the outlook for the current year indicates a continuation of the favourable trends established in 1983, and point out that the order intake in the first three months is "well ahead" of the same period last year.

Shareholders can look forward to a final dividend of 3.5p for a total 5.25p, compared with last year's solitary 1p interim. Earnings per 25p ordinary came out at 13.9p against a loss of 30.8p.

Spear, which is a manufacturer of steel, saws and band tools, experienced a £2.69m rise in turnover to £31.57m. Most of the increase was attributable to overseas operations which pushed sales up from £10.92m to £13.09m.

An operating profit was attained on the sales compared with a £1.16m loss previously. Interest payable and similar charges were reduced from £591,000 to £438,000. Redundancy payments this time took £309,000.

At halfway, profits of £387,000, against losses of £854,000, were achieved on turnover of £16.55m (£15.88m).

After all charges there is a retained surplus for the year of £461,000, a £2.33m turnround on last year's deficit of £1.87m. Tax took £0.42m (£0.11m), minorities accounted for £60,000 (£8,000), and all dividends will absorb £282,000 (£55,000). Last year there were extraordinary debits of £178,000.

Net group borrowings, including leasing commitments, declined from £3.59m at the beginning of 1983 to £936,000 at the year end, reducing financial gearing to 9 per cent.

The directors say that despite very competitive conditions in market place and exceptionally wet weather, which adversely affected the garden tools side in the first half of the year, the tools subsidiary achieved a marked increase in profits.

They add that the positive actions taken in recent years to reduce operating costs have come through to profit margins despite higher marketing expenses and the costs of new product launches. The policy of adding new products to the range is continuing, as part of a planned penetration into the faster growing sectors of the market where the Spear & Jackson name can command a high level of consumer response.

The UK industrial cutting tools company, which incurred substantial losses in 1982, has returned to profitability. This has been brought about by the actions of the new management team in reducing costs coupled with a marked increase in exports to the U.S. Metal cutting activity in the UK remained in recession in 1983 but many forecasters are expecting an improvement in 1984.

Overseas, the French industrial cutting tools subsidiary had a difficult year with turnover below that of 1982. Margins on export sales were improved by devaluation of the French franc but, in France itself, government policies on prices and incomes had the effect of reducing margins. Overall the company made a small profit. The programme of redundancies was completed in 1983 and the resulting cost savings are expected to improve profitability in 1984.

Spear's U.S. and Canadian subsidiaries manufacture and supply woodcutting tools for the North American forest industries. Demand for forest products, particularly for sawn lumber for the U.S. housebuilding market, rose during 1983 as housebuilding in the U.S. recovered to its pre-recession levels.

The percentage increases in volumes were quite large, albeit from a low base, and as a result of cost cutting actions in earlier years the volume increases have given rise to very good improvements in margins and profitability.

● **comment**

Spear & Jackson has sharpened itself up in the past few years, cutting back its workforce from 2,200 in the late 1970s to 1,400. A modest 9 per cent increase in sales has therefore generated a £3m turnround at the bottom line. The impact was particularly startling in the UK businesses, where the industrial cutting tools company, the biggest loss-maker, was turned into profit and the improvement in the garden tools subsidiary was great enough to carry the substantial launch costs of new products. Spear is setting considerable store by these goods for the home gardener and DIY enthusiast, hoping to make the most of its valuable brand name. In North America progress in the woodcutting subsidiaries benefited largely from a big leap in sales on the back of the American housebuilding market recovery. Riding the crest of a cyclical upturn, Spear is well set to achieve £2.2m pre-tax this year. At 160p, up 10p, the shares look cheap on a prospective p/e of 5.5, assuming a 30 per cent tax charge. The longer-term outlook also looks attractive—as the company acquires the cash to launch more new products or expand by acquisition.

HIGHLIGHTS

Lex reviews bank accounts in the light of the statements by Barclays and Midland, at their respective annual meetings yesterday, covering deferred taxation. Next the column looks at the acquisition by Nestlé of a Californian contact lens business for $600m. Finally Lex reviews the particular problems facing cash-rich companies such as GEC, of how to manage their hefty liquid assets. The major electrical group provided an excellent example — it has recently taken a near 3 per cent stake in Distillers.

Thomson Travel raises profits to £42.3m

Thomson Travel, the holiday group, lifted pre-tax profits by 32 per cent from £32m to £42.3m in 1983, on turnover 13 per cent higher at £415m, against £366m.

Mr Roger Davies, chief executive, says trading for 1984 is highly satisfactory and record sales are expected. However, intense price competition means that profits may not match the "exceptional" results of 1983.

He says 1983 was an excellent year for all parts of the company, with Britannia Airways again making good profits. The tour operating companies sold a record 1.3m holidays in the year and Britannia carried 4.4m passengers, making it, Mr Davies states, the second largest UK airline, based on international passengers carried.

New Australia

The reference made in yesterday's report on New Australia Investment Trust to a 20 per cent improvement in the current year should have referred to the overall Australian corporate sector and not the company as implied.

Travis & Arnold rises by 26% and boosts dividend

THE RECOVERY in demand continued into the second half for Travis & Arnold, builders' merchant and timber importer, enabling the company to report record pre-tax profits, up by 26 per cent from £7.49m to £9.43m, for the year 1983.

The final dividend is increased proportionately, from 4.06p to 5.145p, to lift the year's total from 5.46p to 6.925p.

Group turnover reflected the increase in demand to rise by more than £17m from £100.63m to £117.85m. Greater activity in the company's main markets, and a further improvement in productivity, resulted in a substantially improved trading profit, up by 33 per cent to £8.33m.

Investment income fell slightly from £1.07m to £1.01m owing to the fall in average interest rates, and there was a reduced profit on the sale of properties, £100,000 against £392,000. Tax took £3.73m, up from £2.59m.

From an attributable profit up from £4.9m to £5.55m the company retained £4.35m (£3.94m). Earnings per share were 32.3p, against 28.5p.

The directors state that sales for the first quarter of 1984 show a "reasonable improvement" on the comparable period, and that prevailing conditions indicate a satisfactory performance this year.

● **comment**

Travis & Arnold's policy of running real builders merchants not DIY superstores paid off last year when house-building surged. The 17 per cent sales rise breaks down roughly between 7 per cent inflation and 10 per cent volume, the latter rather better than the average. Gross margins were held steady, but the extra business and a tight control of overheads pushed trading margins up from 6.0 per cent to 7.1 per cent. Lower down the profit and loss account things are not so pretty. The fall in investment income was despite an increase in cash from £7.2m to around £8½m, and the tax charge, and one-off provision, came as something of a shock to the market. This year the gain in volume and trading margins will not be so dramatic but pre-tax profits should come out around £10½m. On a 40 per cent tax charge the prospective multiple is 9¼. T & A aim to reduce dividend cover further, so the payout should be generous. The only problem is whether T & A can find the right business to spend its cash on.

Ellis & Goldstein leaps £1.4m

Ellis & Goldstein (Holdings), the ladies' outerwear manufacturer, hoisted pre-tax profits from £1.03m to £2.44m in the year ended January 31, 1984 to reach the level last attained in 1974-75. Turnover rose by £7.06m to £47.94m.

Earnings per 15p share increased from 3.7p to 6.1p and the final dividend is higher at 1.45p (1.3p) for a net total up from 2.15p to 2.3p per share.

Pre-tax figures were before charging this time a £98,000 employee share scheme provision. Tax rose sharply from £177,000 to £950,000 and there was also an extraordinary debit of £854,000 (nil) being a provision for deferred tax.

The directors say real progress was made in all divisions.

The performance of the company's making the Eastex and Dereta range, and the success with which these ranges were sold in the company's shops within stores both improved, and satisfactory results were achieved.

The company's ability to serve multiple and chain store customers has provided some of the increase in wholesale sales. The directors say the company has a strong design-orientated team working to develop this business by close co-operation with retailers.

Dash traded throughout the year and, in a period of very rapid development, established an important name for active leisurewear leading to many new customers.

● **comment**

Ellis & Goldstein's leap to £2.4m immediate success of its trendy speaks volumes for the Dash chain. Admittedly the figures compare with a particularly depressed result but there is a clear £1m or so of profits growth which was enough to add another 6p to the share price. At 59p it is 24½p up so far this year. Yet it is worth remembering that 10 years ago E & G was making £2.4m. The share price may be more than double what it was then but over the same period the All-Share has quadrupled. Nevertheless, the Dash chain could change E & G's fortunes. Dash has mushroomed from 18 to 105 outlets over the year and the 150 probable saturation point will be reached before this year is out. And more, the success of Dash is being grafted on to younger age groups, may be developed into menswear and is certainly being tested in West Germany (one outlet so far but another 13 to come before next January). The market is only just experiencing the first taste of Dash profits and without doubt E & G's spots have changed beyond recognition. Even so it is rapidly exposing itself to volatile high fashion and the price should not lose touch with the 5.7 per cent yield.

Gallaher up by 23% in first quarter

PRE-TAX profits at Gallaher, the wholly-owned subsidiary of American Brands, increased 23 per cent to a record £36.9m for the three months ended March 31, against £30m for the comparable period. The last full year produced taxable profits of £101.1m.

Gallaher, which has interests in the optical, engineering, distribution and office products sectors in addition to its main tobacco activities, experienced progress on all fronts.

Turnover rose from £668.7m to £743.3m, of which tobacco contributed £578.1m (£522.9m) and non-tobacco £211.2m (£179.1m). Inter-divisional sales were £46m (£33.3m).

A breakdown of taxable profit shows tobacco up from £28.4m to £34.7m, and non-tobacco ahead by £1.6m to £6.6m, before adjustments for foreign currency transactions and inter-divisional sales.

Interest charges increased slightly from £2.6m to £2.7m, and tax took a larger slice at £15.8m against £12.9m. UK tax has been assessed on a combination of the 45 and 50 per cent rates depending on the year end of the respective company.

Mr Martin Watson, the finance director, is "confident that Gallaher is going to have a good 1984." The company estimates that its share of the UK cigarette market increased from 32 to 33 per cent during the quarter, but expects second quarter results to be a little flat following the Budget duty increase.

The company could be hard pressed on the optical side to match last year's good second quarter figures, but is optimistic that the overall outlook is bright.

Marley starts well and sees 'promising' future

THE CURRENT year has started well for Marley, manufacturer of products for the building trade, Mr J. B. Aisher, the chairman, told the annual meeting.

He said: "Our overseas subsidiaries (their half-year ended on March 31) have performed better in the first six months than in the corresponding period last year. In the UK, the year has started well, with Marley Roof Tiles achieving volume growth in the first quarter, 16 per cent higher than in the first quarter of 1983.

"Payless DIY is also performing very satisfactorily and enjoyed particularly good sales over the Easter holiday."

Mr Aisher said the effects of the recent Budget were likely to be beneficial to Marley, on balance. The imposition of VAT on alterations and improvements would only affect comparatively minor parts of its businesses. The reduction in the rates of Corporation Tax and capital allowances should, in the medium-term, reduce the group's UK tax bill quite materially.

"Overall," he added, "the future for Marley is really quite promising, and we are looking to capitalise in 1984 on the much improved performance of 1983."

● Marley's wholly-owned American subsidiary, Marley Plastics (USA) Inc., has acquired all of the issued share capital of Republic Holdings, a Chicago-based company. The consideration of $3.5m was paid on completion with a further payment, not exceeding $1.5m and dependent on future sales performance, to be made over the next two years.

Yearlings total £18.85m

YEARLING BONDS totalling £18.85m at 9¼ per cent redeemable on May 1 1985 have been issued by the following local authorities:

Great Grimsby Borough Council £1m; Kirklees (Metropolitan Borough of) £1.5m; Middlesborough District Council £0.5m; Rotherham (Metropolitan Borough of) £0.5m; Bassetlaw DC £0.5m; Gravesham BC £0.5m; Langbaurgh BC £0.5m; Lothian Regional Council £1.35m; North East Fife DC £0.5m; South Pembrokeshire DC £0.25m; West Lancashire DC £0.25m; Swansea (City of) £1m; Kilmarnock and Loudoun DC £0.5m; Brentwood DC £0.25m; Gravesham BC £0.5m; Islington (London Borough of) £2m; Islwyn BC £0.5m; South Lakeland DC £0.5m; Tameside Metropolitan BC £0.75m; Greater Manchester Passenger Transport Executive £0.5m; Lothian Regional Council £1.5m; Sheffield (City of) £2m; Wigan (Metropolitan Borough of) £1m.

COMPANY NEWS IN BRIEF

A higher taxable deficit of £165,889, compared with £142,666, was incurred by J. E. England & Sons (Wellington) in 1983, but second half losses were substantially reduced from £53,000 to £14,000.

Turnover of this produce supplier and convenience food merchant rose from £4.7m to £5.13m with £3.52m, against £2.15m, attributable to the second half.

In view of the losses and difficult trading conditions prevailing, the directors have decided not to pay any dividends for the year. Last year an interim payment of 0.44p was followed by a similar final dividend.

There was no tax for the year (credit £47,204) but there was a total of £9,603 (£19,607) unrelieved ACT written off. Extraordinary debits amounted to £130,151 (£146,318). The loss per 5p share was 3.55p (2.34p).

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Interim pre-tax profits of Rosebaugh edged ahead from £1.07m to £1.19m on the back of a £1.32m rise in turnover to £8.87m.

Pre-tax results were after deducting £504,000 (£433,000) interest payable and similar charges less interest receivable and similar income and £761,000 (£646,000) administrative and staff costs.

There was a tax charge for the half year, to December 31, 1983, of £325,000 (nil) to leave net profits at £865,000 (£1.07m). Last year minorities took £5,000.

Earnings per £1 share emerged at 11.8p (14.5p)—as in previous years there is no interim dividend.

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Pre-tax profits of USM company Wingate Property Investments advanced from £424,000 to £737,000 for the 1983 year and a final dividend of 1p makes a net total of 1.5p.

Gross rental income moved ahead to £1.96m (£1.63m). Tax accounted for £244,000 (£97,000) but minority credits rose to £6,000 (£2,000). Extraordinary debits absorbed £5,000 (£27,000).

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Fleming Univ.	4.75	July 30	4.75	6.75	6.75
H. C. Slingsby	1.8	—	1.8	2.4	2.4
Spear and Jackson	3.5	—	nil	5.25	1
TR Australia ...int.	0.8	—	*0.8	—	*1.83
Travis and Arnold	5.15	—	4.06	6.83	5.46
Wingate Prop.	‡1	—	—	1.5	nil
Ellis & Goldstein	1.45	June 20	1.3	2.3	2.15

Dividends shown pence per share net except where otherwise stated.
* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues. ‡ USM stock. § Unquoted stock.

GEC builds up near 3% holding in Distillers

BY RAY MAUGHAN

THE RESULT of close monitoring of its share register by Distillers, the leading Scotch whisky group, in response to a sharp bout of bid speculation recently has revealed that GEC holds a stake approaching 3 per cent of DCL's equity.

Wood, Mackenzie, the Edinburgh stockbroker with an acknowledged expertise in the distilling industry, was first to highlight the electrical group's interest but it emerged later that DCL's own investigations had identified GEC as a significant shareholding at the end of February when the bid speculation was at its highest.

GEC is understood to have accumulated some 2.7 per cent of DCL's ordinary capital by the beginning of March. Mr Robert Temple, finance director of DCL, said yesterday that the group's usual monitoring of its register had intensified "because of the speculation that had been stirred up. When these particular purchases showed up we sought further information from GEC."

He refused to comment as to whether the 2.7 per cent stake had been increased since that first revelation but added: "If it has moved it won't be by very much."

GEC showed cash balances of £1.32bn in its last accounts and the accumulation of approximately 10m shares in DCL would be worth, at last night's closing price of 288p, up 4p, about £28m.

Confirming its holding, GEC said yesterday that DCL was regarded as a portfolio investment offering a good dividend yield and the income is franked, or already taxed. The electrical group said that its portfolio investments have included major companies such as British Petroleum and Shell where the sheer size of the market enabled GEC to deal freely in substantial tranches of stock.

In money terms, the stake in DCL is thought to be larger than GEC's investments in either of the two oil companies.

While GEC has not formally denied that it holds any serious bid ambitions towards DCL, the stock market was prepared to take the investment explanation as the most plausible reason for GEC's interest.

Less likely was GEC's possible intention of holding a strategic stake in the event that a bid does indeed materialise from a third party. The resistance to a full bid from GEC, or any other predator, "would be absolutely enormous" one broker forecast.

De Vere consults advisers following several approaches

BY ALEXANDER NICOLL

De Vere Hotels and Restaurants said yesterday it had received a number of approaches on the possible acquisition of the company and is discussing them with its financial advisers.

Reacting to recent speculative activity in its stock, the company cautioned however, that price indications given in discussions with interested parties were below the market price of its shares.

De Vere has been a target of speculation since an agreed bid to buy the 51.4 per cent stake held by its 81-year-old chairman, Mr Leopold Muller, fell through last December.

The company's share price fell yesterday to 312p after touching a year's high of 328p earlier in the day, before the company's statement. The closing price, 10p down on the day, values the company at £43.4m.

The current market price compares with the 283p, after adjustment for a subsequent one-for-five scrip issue, offered last year by Selfpost, a privately-held company. Mr Muller agreed on the bid, which would have been followed by an offer to other shareholders, but the deal fell through because Selfpost failed to provide sufficient financial assurances.

Discussions with Selfpost have not been resumed, but several other approaches have been made in recent months.

De Vere owns 14 top provincial hotels and the Connaught Rooms in London as well as the Mirabelle Club and two Overtons fish restaurants. In the year to end-December 1983, pre-tax profits rose from £1m to £1.83m on turnover of £21.88m against £20.05m.

BIDS AND DEALS IN BRIEF

Rowland Gaunt, the women's wear manufacturer, is planning to buy **Beau Brummel**, a manufacturer and wholesaler of boys' and girls' schoolwear and outerwear for boys and **Wisehouse**, which has 37 retail concessions in stores owned by Burtons and other groups.

Negotiations for the purchase of the two companies, which are associated with Mr S. J. Barclay, a Gaunt director, have reached an advanced stage. Gaunt's shares have been suspended at the company's request at 129p.

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British Car Auction Group (BCA), has sold its remaining 7.56 per cent stake (307,500 shares) in **I. D. and S. Rivlin Holdings**, the household textiles and kitchen and bedroom furniture supplier.

BCA and Mr Michael Ashcroft's Hawley Group earlier this month sold a total of 600,000 shares (14.75 per cent) in Rivlin to Finarab Investment Company, a Netherlands Antilles-based investment banking company owned by Saudi Arabian and other Middle East interests. Finarab plans to place at least one director on the Rivlin board.

Hawley Group has retained its holding of nearly 8 per cent in Rivlin. Hawley has agreed to vote these shares as Finarab directors.

Mr Richard Moon, Finarab's London representative, said the BCA shares had not been acquired by Finarab.

Rivlin's shares were unchanged at 106p yesterday.

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BOC, the diversified gases and health care group, has agreed to buy **BTI**, a small privately-owned U.S. company which makes instruments monitoring oxygen in the blood.

BTI is based at Boulder, Colorado, and will be bought by BOC's Ohio Medical Products division. Its equipment monitors a patient's condition on the operating table and in intensive care.

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Fisons has received Spanish Government approval to acquire **Romero SA**, a Zaragosa-based pharmaceutical company, which trades as Laboratorios Casen, for £1.6m cash.

Casen markets a range of medical speciality products and is a leading company in the supply of enema-type products. Fisons will construct a new pharmaceutical factory with related sterile finishing and chemical processing facilities.

* * *

Erskine House is expanding its pest control and environmental health management division with the acquisition of 75 per cent of **Environmental Protection Services**, which carries out the business of pest control and related services throughout Scotland. The vendors will own the remaining 25 per cent of the equity but Erskine has the option to purchase these shares in the future.

Erskine has also completed the purchase of a 50 per cent stake in **Servewell Site Services** with an option to acquire the remainder. Servewell provides site maintenance services to industrial and commercial customers in the South West of England and will also be used to launch pest control in its area of operation.

Consideration for these acquisitions amounts to £105,000, comprised of shares, cash paid to the vendors and cash injected into the companies.

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Acceptances of the offer by **Petrolex** for **Viva Petroleum** have been received in respect of 6,049,300 ordinary shares (94.52 per cent) in Viva. The offer has become unconditional as to acceptances.

At EGM's of the two companies, the resolutions necessary to implement the merger were passed.

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The offer by **Vernon Investment Association**, a subsidiary of Wellington Estates Company, to acquire **Weber Holdings** has been accepted in respect of 51.49 per cent, including a 49.9 per cent stake held by J. Leon and Co. The offer has become unconditional as to acceptances.

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Birmingham Pallet Group has completed the acquisition of **Delaney Brothers Holdings** and has sold its remaining activa subsidiary, E.K.I.

Listing for the 9m BPG new shares allotted to the vendors of Delaney has been granted, and, as part of the arrangements, Minster Trust has placed 2.25m ordinary shares of BPG at a price of 42p per share. Dealings will commence today. BPG is proposing to change its name to the Delaney Group.

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Taddale Investments has acquired 2,500 **F.H. Industrials** shares which together with shares already owned, gives it control of 50.03 per cent of the company. The offer is now fully unconditional and remains open until further notice.

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Eco-Tapeter of Sweden, Scandinavia's leading wallcovering manufacturer, has taken a majority shareholding in **Harlequin Wallcoverings**. The deal is part of a restructuring of the Cardiff-based company. The remainder of the shares will be taken up by Mr Derek Bound, managing director, and Mr Peter Cronin, marketing director.

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Acceptances of the original offer and the new offer made on behalf of **Firth** to acquire the ordinary share capital of **Porter Chadburn** that it does not already own have been received in respect of a total of 38,180 ordinary shares (0.8 per cent of the capital as enlarged by the subscription).

Firth now owns or has valid acceptances in respect of a total of 2.48m ordinary shares (52.4 per cent).

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The offers by **Habit Precision Engineering** for **Crosby Woodfield** have received acceptances in respect of 15,451,318 Crosby shares (71.7 per cent). Habit acquired 1,500,000 (6.9 per cent) prior to the offers, and now has 78.6 per cent of the Crosby shares.

The offers have been declared unconditional in all respects and the equity offer will remain open for the time being.

* * *

American Home Products Corp has accepted the offers for **Prestige** in respect of its holding of 13,385,170 existing ordinary shares (72.6 per cent). The offers have become unconditional as to acceptances.

In aggregate, acceptances have been received in respect of 13,395,011 existing ordinary shares (73.9 per cent). The offers have been made on behalf of a company that will become a subsidiary of Gallaher.

The offers remain open for acceptance until May 2.

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Acceptances of the offers on behalf of **Wellington Estates** to acquire **Weber Holdings** have been received in respect of 258,466 ordinary of Weber (55.58 per cent). The offer has therefore become unconditional as to acceptances.

Prior to April 3, Wellington did not hold any shares in Weber. Since that date, Wellington has not acquired or agreed to acquire any shares other than those in respect of which the offer has now been accepted.

The acceptances include the 232,043 shares (49.9 per cent) owned by J. Leon and Co who had given an irrevocable undertaking to accept. First closing date of the offer is May 11.

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Portfolio of Undertakings Northumberland and Devonshire has acquired **M. & W. Grazebrook** from F. H. Lloyd Holdings for about £1.2m.

Suter upholds bid terms

Suter, the air-conditioning and hairdressing equipment group which is bidding for Francis Industries attempted yesterday to dispel speculation that it would be permitted to increase its offer if it secured a recommendation on the revised terms from the Francis board.

A week ago, Suter lifted its offer to comprise one of its own shares and 120p in cash for every two Francis shares. That was supported by a cash underwritten alternative worth 230p for every two Francis shares. The bidder, which is headed by Mr David Abell, stressed yesterday that "even in the event of a recommendation from Francis being forthcoming, Suter had no intention whatsoever of increasing the value of its increased ordinary share offer or the new cash alternative."

UK COMPANY NEWS

MINING NEWS

Marshall's Universal set for significant advance

A SHARP improvement by Marshall's Universal UK activities failed to offset a downturn by its East African operations over the 1983 year and group pre-tax profits for the period fell by £24,962 to £519,280.

The directors point out, however, that as forecast a considerable improvement took place in the East African operations in the second six months due to the restoration of import licences.

They say that in Kenya conditions have improved substantially in the last few months and that they are confident that the group's contribution to that country's economic revival will be increasingly important to it.

The pattern of trading in the first quarter of 1984 indicates a "significant increase" in the group's profitability.

Available profits for 1983 emerged at £551,948 (£206,958 loss) and due to the improvement here dividends are being resumed with a first payment in May. Subsequent payments will be considered when the half-yearly results are announced in October.

Group turnover for the year under review rose from £49.48m to £51.39m but at the trading level profits slipped from £2.22m to £1.98m—the group distributes paper, self-adhesive paper and paper board products and motor vehicles in the UK and Kenya through Peugeot, Talbot, Honda and Austin Rover franchises.

It also has interests in parking equipment installation and servicing.

Trading profits of the UK activities amounted to £1.29m (£710,758) and those of the East African operations to £695,280 (£1.51m).

The paper merchanting group of companies had a successful year and conditions in the opening quarter of 1984 indicate a substantial improvement.

Motor trading in the UK is still very difficult due mainly to the continuation of discounting of retail margins but the directors say this section of the group is continuing to improve.

They add that the components and accessory side increased its profitability significantly and that it continues to give "every satisfaction."

Parking Equipment and Services, the group's recent acquisition, gives every indication of success, and the directors are sure that this company will be a major contributor to the group's future prosperity.

Available profits were struck after deducting tax of £372,779 (£668,936), a provision of £33,109 (£66,319) for irrecoverable ACT, minorities of £78,120 (£165,404) and adding in extraordinary items of £246,676 (£152,601 charge).

The extraordinary item consisted of the profit, net of tax, arising on the disposal of property. Overseas currency translations have been restated to conform with SSAP 20.

● comment

Marshall's Universal once again showed the unpredictable nature of its earnings in East Africa, where it distributes vehicles. Trading profits recovered sharply in the second half after the company was hit by import restrictions earlier in the year, but were still well below the levels of 1982—£695,000 against £1.5m. The decline was offset by the performance of the group's other half—its businesses in the UK. The paper merchanting and motor components (mostly distribution) companies made good profits and more is expected this year. The motor trading business barely broke even but now accounts for a small proportion of group turnover. Overall, the group is keen to decrease its dependence on East Africa by building up in the UK, for example by acquisitions such as the purchase this year of Parking and Equipment and Services, makers of parking systems. The shares were unchanged at 60p.

BOARD MEETINGS

The following companies have notified dates of board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether the dividends are interims or finals and the subdivisions shown below are based mainly on last year's timetable.

TODAY

Interims: Anglo Scottish Investment Trust, Border and Southern Stockholders Trust, James Finlay, Samuel Properties, Stewart Nairn, United Wire.

Finals: Biddle, Blue Circle Industries, British Vending Industries, Clive Discount, Cola, EIS, Estates and Agency, Farnell Electronics, Norman Hay, House of Fraser, Lake View Investment Trust, Laporte Industries, Minet, James Neill, Office and Electronic Machines, Harold Perry, Telephone Rentals, UBM, Whatman Reeve Angel, George Wimpey, Wire and Plastic Products.

FUTURE DATES

Interims—
Akroyd and Smithers .... May 8
Grand Metropolitan .... May 15
Scottish National Trust .... May 22
Warner Estate .... May 10

Finals—
Aberdeen Construction .... May 2
Air Call .... May 4
Kwik-Fit (Tyres and Exhausts) .... Apr 30
Rock .... Apr 27
Tarn-Consulate .... Apr 30
Tootal .... May 4

Mr Oppenheimer sets out to woo the big spenders

BY KENNETH MARSTON, MINING EDITOR

COME and buy my big sparkling diamonds—you'll be pleased you did, is the message from Mr Harry Oppenheimer, chairman of South Africa's De Beers Consolidated Mines which happens to have far more of the said large gems than buyers for them at the moment.

Still pulling out of its long recession, the diamond market has started this year encouragingly with signs of a shift in demand upwards to the medium quality diamonds from what De Beers calls the "small less expensive goods" which remain very popular.

In fact, Mr Oppenheimer says that the stage has been reached whereby the diamond trade as a whole can only be expanded through an increase in demand for the larger and better quality gems.

But the larger and so-called "investment" diamonds remain a poor market and account for a sizeable proportion of the group's stocks of rough (uncut) diamonds.

These increased by $163m to $1.85bn (£1.31bn) last year and the need to finance them is a major reason for the group's conservative dividend policy although Mr Oppenheimer points out that the cost of the 1983 dividend, raised by a modest 2.5 cents to 40 cents, was more than covered by the non-diamond investment income.

This year—the 50th anniversary of the group's marketing organisation—will see a switch of sales promotion emphasis to the upper end of the diamond market in the hope of stimulating demand for the larger stones.

Mr Oppenheimer plays his part with the comment that the production of these more valuable diamonds comes mainly from the older mines where output is now declining.

"The large good quality diamonds, therefore, can only become rarer and should increase in value," he says, adding, "I am not, therefore, unduly concerned that De Beers should hold substantial stocks of these qualities."

Conditions in the less glamorous industrial diamond side of the business "improved considerably" last year, but this was largely in demand for synthetic industrial diamonds where sales exceeded $100m for the first time.

Mr Oppenheimer says that the tendency for industrial diamond demand to move increasingly to synthetics rather than natural diamonds may become a problem for the CRA group's big Australian Argyle mine when it reaches full production of its natural stones in 1986. He adds, however, that De Beers' Central Selling Organisation "is well placed to tackle it."

A disappointment on the exploration side is that the Venetia diamond prospect on ground held by Middle Witwatersrand (Western Areas) and Anglovaal in the Northern Transvaal is not considered to be viable in present economic circumstances. However, more work is to be carried out on the kimberlite deposits there.

As already reported, De Beers' pre-tax profit rose to R752.3m last year from R566.1m. Investment income provided R161.7m, the main components of this being gold (31 per cent), industrial (30 per cent) and finance (19 per cent). The end-1983 market value of these investments was R3.28bn compared with R3.38bn at end-1982.

Mr Oppenheimer ventures no forecast of current year's prospects for De Beers but a further recovery in earnings is on the cards. The extent of this, however, will be largely dependent on the course of the U.S. economy and the group's efforts to increase sales of the more profitable high quality diamonds.

At yesterday's price of 540p to yield just over 4 per cent the shares look to be fully priced for the time being.

* * *

SHAREHOLDERS of Canada's Cominco, metals and chemicals group, have approved the proposed three-for-one share split. Holders registered on May 4 will receive on or about May 11 an additional share certificate representing two additional common shares for each one held. At present Cominco has 21m shares in issue.

Asarco falters in first three months

THE DECLINE in profitability at Asarco which became apparent in the last quarter of 1983 has continued in the opening three months of this year.

Asarco, the big smelter and refiner of non-ferrous metals in the U.S., was able to report a profit in the final quarter of last year only after the inclusion of a number of extraordinary gains, but has fallen back into loss in the latest period.

The net loss for the three months to the end of March was U.S.$31.12m (£22m). This compares with a profit after extraordinary gains of $11.73m in the fourth quarter of last year, and profits in the first quarter of 1983 of $16.17m.

Mr Ralph Hennebach, Asarco's chairman, said the decline in the latest period was due principally to lower prices for silver and copper, reduced processing fees for copper at the company's smelters and refineries and an adverse change in foreign currency translation adjustments.

Producer prices for silver averaged less than $9 an ounce in the three months, compared with more than $12 in the corresponding period of last year, while the copper producer price was 69.1 cents per pound, against 79.2 cents.

The lower income from the company's custom smelting and refining business was primarily a result of the reduced supply of concentrates in the wake of the spate of north American mine closures and increasing competition for the available material from both domestic and foreign smelters.

The problem with currency translation relates mostly to Asarco's 44 per cent holding in MIM Holdings in Australia and the 52.3 per cent stake in Southern Peru Copper Corporation. The currencies of both of these countries appreciated against the U.S. dollar during the quarter, giving rise to losses on translation of $6.4m compared with gains in the first quarter of last year of $14.7m.

As far as the outlook is concerned, Mr Hennebach commented that silver and copper prices have shown a modest improvement recently, adding that the reduced level of production in north America combined with improved demand was helped to cut excess copper stocks on the London and New York commodity exchanges by about one-fifth, or 150,000 tons, from the mid-January peak.

* * *

It is reported from Tokyo that Mitsubishi Metal Corporation's mining subsidiary has found a rich gold vein at its Yatani zinc-lead mine in north Japan. Average values of 50 grammes gold and 220 grammes silver are mentioned, but no size is disclosed. Commercial production plans are to be worked out after studies have been made of the drilling results.

Two miners have died, seven are injured and four others are missing following a rock burst 2,400 metres below surface at the South African East Rand Proprietary gold mine.

Granville & Co. Limited

Member of NASDIM

27/28 Lovat Lane London EC3R 8EB Telephone 01-621 1212

Over-the-Counter Market

1983-84 High	Low	Company	Price	Change	Gross div.(p)	Yield %	P/E Actual	P/E Fully taxed
142	120	Ass. Brit. Ind. Ord.	132	—	6.4	4.8	7.7	10.0
158	117	Ass. Brit. Ind. CULS	144	—	10.0	6.9	—	—
78	62	Airsprung Group	63	—	6.1	8.7	18.0	18.0
38	21	Armitage & Rhodes	33	—	—	—	—	—
327	141½	Bardon Hill	327	—	7.2	2.2	13.3	27.1
58	53	Bray Technologies	54xd	—	3.5	6.5	6.3	8.0
200	197	CCL Ordinary	200	—	5.0	2.5	4.6	6.3
152	121	CCL 11pc Conv Pref	152	—	15.7	10.3	—	—
505	100	Carborundum Abrasives	505	+ 3	6.7	1.1	—	—
249	100	Cindico Group	103	—	17.6	17.0	—	—
68	46	Deborah Services	68	—	6.0	6.8	36.4	59.1
218	75	Frank Horsell	218	+ 1	—	—	6.0	14.6
199	75½	Frank Horsell Pr Ord 87	199	+ 1	8.7	4.4	6.4	13.7
69	28	Frederick Parker	30½	—	4.3	14.1	—	—
39	32	George Blair	36	—	—	—	—	—
80	46	Ind Precision Castings	50	—	7.3	14.6	13.6	17.2
2185	2150	Isis New Fully Pd Ord	2185	+10	150.0	6.8	—	—
365	134	Isis Conv Pref	365	—	17.1	4.7	—	—
121	81	Jackson Group	118	—	4.5	3.8	6.2	12.2
248	189	James Burrough	248	—	11.4	4.6	13.7	14.0
395	275	Minihouse Holdings NV	395	+ 3	4.0	1.0	29.7	38.2
176	102	Robert Jenkins	102	—	20.0	16.6	11.6	6.0
74	57	Scruttons "A"	57	—	5.7	10.0	6.5	6.6
120	61	Torday & Carlisle	65	+ 3	2.6	4.4	—	—
444	385	Travian Holdings	438	—	—	—	6.9	6.2
26	17	Unilock Holdings	18	—	1.0	5.5	11.6	17.1
92	65	Walter Alexander	85	—	8.8	8.0	7.5	9.6
276	236	W. S. Yeates	245	—	17.1	6.6	5.8	11.7

PUBLIC WORKS LOAN BOARD RATES

Years	Quota loans repaid by EIP†	Quota loans repaid A‡	Quota loans repaid at maturity§	Non-quota loans A* repaid by EIP†	Non-quota loans A* repaid A‡	Non-quota loans A* repaid at maturity§
Up to 5	10½	10½	10⅝	11⅛	11⅜	11¼
Over 5, up to 6	10⅝	10½	11	11¼	11⅜	11¾
Over 6, up to 7	10⅞	10⅝	11¼	11¼	11¼	11¾
Over 7, up to 8	10⅞	10⅞	11¼	11¼	11¼	11¼
Over 8, up to 9	10⅞	10⅞	11¼	11¼	11⅜	11¾
Over 9, up to 10	10⅞	11⅛	11⅛	11¼	11¼	11¾
Over 10, up to 15	11¼	11⅛	10⅞	11¾	11¾	11⅜
Over 15, up to 25	11	10⅞	10⅞	11½	11½	11⅛
Over 25	10⅞	10⅞	10⅝	11⅛	11⅛	11

* Non-quota loans B are 1 per cent higher in each case than non-quota loans A. † Equal instalments of principal. ‡ Repayment by half-yearly annuity (fixed equal half-yearly payments to include principal and interest). § With half-yearly payments of interest only.

UK COMPANY NEWS

Increased net assets for TR Australia

NET ASSET value per 25p share of TR Australia Investment Trust increased to 111p as at February 29 1984, compared with an adjusted 81p a year earlier and 101.75p at the end of August 1983.

Investment income in the six months to the end of February climbed from £467,000 to £604,000 and pre-tax revenue was ahead at £591,000, against £564,000, after expenses £19,000 higher at £125,000.

Tax charge was up from £245,000 to £270,000 leaving earnings per share unchanged at 1.11p after adjusting for last year's one-for-one scrip issue. The net interim dividend is effectively maintained at 0.8p—last year's final was an adjusted 1.025p.

The directors say that in view of the better than expected investment income and in response to proposed reductions in the rate of UK corporation tax, the company intends to increase its exposure to Australian investments, with a commensurate reduction in UK holdings.

The Australian economy is expected to grow at around 4 per cent well into 1985.

S. Pearson has 'reserve of financial firepower'

REVIEWING 1983 as a year of major progress for S. Pearson & Son, Lord Blakenham, the chairman, says the group is pursuing its strategy with vigour and a reserve of financial firepower. "We welcome 1984," he tells members in his annual report.

As reported on April 18, pre-tax profits rose by £17.5m (or 29 per cent) to £77.35m in 1983. Earnings per 25p share climbed from 33.13p to 45.07p, before extraordinary items, and the dividend *for the year is lifted* to 14p (11.2p) net.

Net borrowings of the group were reduced from £123m at the beginning of 1983 to £79m at the end, lowering the debt equity ratio from 36 per cent to 22 per cent and providing considerable spare financial capacity for future development, the chairman states.

Lord Blakenham says the group has simplified its structure and strengthened its management during the period.

Explaining Pearson's strategy, he says the group is concentrating on the five sectors in which it currently operates—information and entertainment, fine *china, oil and oil services,* merchant banking and engineering.

"We are generating higher levels of cash for new investments in these sectors," he states. "We are selling surplus and non-essential assets to ensure that we have sufficient funds to be at the forefront of the best technology at home and to expand our business abroad, particularly in North America.

"At the same time we are concentrating on greater efficiency and productivity, the strengthening of management, the *shortening of lines of* communication and the development of a greater sense of unity and purpose. We plan to produce growing earnings per share and wider opportunities for the group," Lord Blakenham says.

In pursuit of this strategy, Pearson raised £16m at the end of 1982 by the sale of Doulton Glass Industries and a number of portfolio investments. During 1983 the group raised a further £25m by the sale of surplus assets and over time it is likely to sell further of these assets. The chairman points out that not all are marketable, nor yet ready to be sold, but the amounts involved will be substantial.

Lord Blakenham says both the group's information and engineering sectors have plans for further development in the U.S. The publishing companies are also *engaged* in strengthening their roles in the fields of new information technology.

The strategy of the fine china division is to make substantial investment in improving its production processes in Stoke-on-Trent. The oil services sector is on the lookout for opportunities to acquire complementary products and Lazard Brothers is carefully considering its future development in the changing financial world.

The notes to the accounts reveal that in 1983 the highest paid director received £200,672 (£99,219).

Shareholders are to be asked at the AGM to approve a change in the group's name to Pearson. Meeting to be held at Millbank Tower, Millbank, SW, on May 18 at noon.

Camco Inc, a 68.7 per cent owned subsidiary of Pearson, made lower pre-tax profits of $3.16m, against $6.5m (£4.6m), in the first three months of 1984. Net sales of this manufacturer and supplier of gas lift equipment, safety systems and completion equipment were lower at $39.77m ($41.39m).

APPOINTMENTS

Managing director of British Olivetti

Mr Vincenzo Mancuso has taken over as managing director of BRITISH OLIVETTI. He succeeds Mr Keith Walkerden who returns to Australia to supervise Olivetti's subsidiaries in the Far East, South Africa and Canada. Mr Mancuso was in charge of seven Olivetti companies in Europe and Canada. Before that he was head of Olivetti's operations in Belgium.

*

Mr Ian C. Barry has been appointed group controller of UNIGATE from mid-July. He is currently group chief accountant and succeeds Mr Brian Hardy who moves to Castrol as finance director. Mr Maurice Griffith joins Unigate as group audit manager on May 1, from United Biscuits. He will be responsible for the creation and management of a new internal audit function for the group.

*

INTERNATIONAL AIRPORT EXPOSITIONS, a Mack-Brooks group company, has appointed Ms Jane F. S. Hadfield as a director.

*

ATKINS OIL & GAS ENGINEERING, a company formed by W. S. Atkins, has appointed Mr Mick Duckett as managing director, previously head of oil and gas department within the W. S. Atkins engineering consultancy. Mr George Stenhouse becomes technical director, previously head of offshore structures department of W. S. Atkins. Chairman is Mr John R. L. Faulkner, a director of W. S. Atkins Group Consultants. Other board members include Dr Michael R. Dyer, commercial director of W. S. Atkins, and Dr Roger Wootton, a co-opted member, who is the W. S. Atkins director responsible for its research and development group.

*

The BRITISH MARINE EQUIPMENT COUNCIL has elected Mr Jack Gilbertson as president. He is technical director of Serck Heat Transfer.

*

The ASTRALITE group has appointed Mr Frank D. Revel as managing director. Astralite is the parent company of Astrawall and Stoakes Systems. Mr Revel joined the group in 1981 as group financial controller and a year later was appointed financial director. In 1983 he became the managing director of Astrawall.

*

INVENT ENERGY HOLDINGS has appointed Mr Alan W. F. Russett as managing director.

*

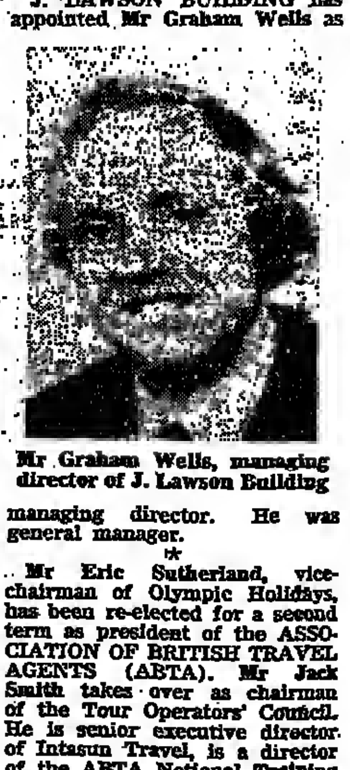
Mr Cyril Garrard, *managing* director of Stewart Gill and Co has been elected president of the MECHANICAL HANDLING ENGINEERS' ASSOCIATION. New vice-president is Mr David Hall, director of contracts in the engineering division of Anderson Strathclyde.

*

Mr W. L. Denness has joined the board of WARD BROTHERS HOLDINGS, Sherbourn, North Yorkshire, as finance director. He was finance director of Brook Crompton Parkinson Motors, a Hawker Siddeley company.

*

J. LAWSON BUILDING has appointed Mr Graham Wells as managing director. He was general manager.



Mr Graham Wells, managing director of J. Lawson Building

*

Mr Eric Sutherland, vice-chairman of Olympic Holidays, has been re-elected for a second term as president of the ASSOCIATION OF BRITISH TRAVEL AGENTS (ABTA). Mr Jack Smith takes over as chairman of the Tour Operators' Council. He is senior executive director of Intasun Travel, is a director of the ABTA National Training Board and has also been re-elected honorary treasurer of the Association for the third year. ABTA's Retail Agents' Council has elected Mr Don Swinard, chairman, Swinards of Kent (Travel Service) as chairman.

*

Mr Geoffrey B. Fielding will join the partnership of GRENFELL AND COLEGRAVE, stockbrokers, on April 28.

CONTRACTS

Falklands airfield order

BP AQUASEAL has won a contract worth over £1.6m to supply bitumen for a surface finish to the runway, apron and taxiing areas at the new Mount Pleasant Airfield in the Falklands. The contract was awarded by the Joint Venture Consortium building the airfield. An initial shipment of 200 tonnes of spray grade bitumen emulsion has left the Kingsnorth, Rochester, factory. The airfield is scheduled to be in operation by January 1986.

*

HONEYWELL CONTROL SYSTEMS has been awarded a £1.2m contract to supply Britoil with a TDC 3000 process management system and 4500 computer for the offshore oil production platform being constructed in the Clyde Field in the North Sea. Delivery of the system will begin in December for installation during the first quarter of 1985.

*

THORN EMI AUTOMATION has contracts worth £3.5m to supply two computer-controlled monitoring stations—known as open-sea degaussing ranges—to provide protection against magnetic mines in the south and east Mediterranean. Multiple arrays of magnetic sensors will be laid on the sea-bed and linked to the computer-controlling monitoring stations. Any variations in the magnetic signatures of vessels passing over the ranges will receive real-time analysis via software programmes developed by Thorne/EMI.

*

DOW-MAC CONCRETE, a member of the Norcros Group, has won another ASDA contract for double tee beams and frames. The order, worth £376,000, is for a multi-storey car park adjoining the ASDA superstore being built at Grimsby. Dow-Mac has also received road building orders worth over £1m. Two of them are for beams on the M42 Lickey End section (south of Birmingham), worth £514,500, and the Kingsbury section of the same motorway, near Lichfield, Staffordshire (worth £379,000). On the M25 Micklefield Green-A405 section, the company will provide £120,000-worth of products. It will also supply bridge beams and portal subway units, costing £143,000, on the Banbury East/West link road. Another Norcros subsidiary, Anglian Building Products of Norwich, is providing £472,000-worth of beams for the M42 Kingsbury section.

*

British Airways has placed orders valued at near £1m with AMDAHL (UK) for 6000-series computer disk control and storage units. Scheduled for completed installation by June 1984, the orders comprise five 6880 control units and 27 6280 storage units which will be employed in Comet House at Heathrow when the West London computer centre moves there later in the year.

Restructure plan at Kinta Kellas

BY CHARLES BATCHELOR

Kinta Kellas Tin Dredging yesterday announced details of its long-awaited capital restructuring and plans to move its domicile from London to Malaysia.

It proposes to cancel its 420,000 25p stock units in issue and offer existing shareholders 24 new shares of 50 sen each in Builders Consortium Berhad, e newly-incorporated Malaysian company, for every stock unit.

Kinte would become a subsidiary of Builders which would have issued and paid up capital of M$5.04m (£1.55m).

It also proposes making a rights issue of 19.12m new 50 sen shares to original Kinta shareholders on the basis of three new shares for every two shares held in Builders after the completion of the restructuring.

Builders has agreed conditionally to buy Paling Industries, Home Builders Sdn and 98.5 per cent of Finewood Products Corp, for a total of M$19.02m, satisfied by an issue of 21.71m Builders shares and M$1.65m cash.

Kinta plans to issue 3.6m new Builders shares to the public to widen the shareholding base and make e special issue of 3.49m new Builders shares to Bumiputra (native Malayan) investors in line with the Malaysian Government's economic policy.

Kinta's shares have been suspended at £21 each since last October after a consortium comprising Sia Brothers Trading, Manong Construction and Kim Hing Construction acquired e 68 per cent holding following e bid worth M$58 cash per share.

LASMO director gets sharp increase in pay

THE 1983 accounts of London & Scottish Marine Oil reveal that in the year the highest paid director received £108,986, compared with £77,174 in 1982. Mr G. W. Searle, the chairman, received an increase from £49,916 to £60,622. The accounts also show that last year a £75,000 ex-gratia payment was made to a former director.

As reported on March 14, group after-tax profits fell from e restated £28.3m to £24.9m in 1983, on a lower turnover of £215.5m (£240.9m). Earnings per 25p share were down from 36.7p to 26.9p, but the dividend is raised by 0.5p to 11.5p net, on capital increased by the March, 1983 rights issue.

Mr Searle says in his annual statement that prospects for oil and gas prices appear more fevourable than a year ago.

The price which the group expects to obtain for UK gas encourages new developments, he states. It is the basis for optimism for the Audrey field development and is an incentive for further exploration in the southern North Sea.

Mr Searle reports that the group's operational targets for 1983 were achieved and prospects for new reserves of oil and gas have increased. He says LASMO has established the foundetion for continued growth in many parts of the world.

● The report and accounts of publisher William Collins for the 53 weeks to January 1 1984 disclose a payment of £75,000 to e former director.

Sutcliffe Speakman

Only 68.13 per cent of the 2.5m shares offered in a rights issue by Sutcliffe Speakman were taken up by shareholders. The remaining 797,612 shares of the two-for-three rights have been sold in the market at a premium of about ½p per existing share.

UK ECONOMIC INDICATORS

ECONOMIC ACTIVITY—Indices of industrial production, manufacturing output (1980=100); engineering orders (1980=100); retail sales volume (1978=100); retail sales value (1980=100); registered unemployment (excluding school leavers) and unfilled vacancies (000s). All seasonally adjusted.

	Indl. prod.	Mfg. output	Eng. order	Retail vol.	Retail value*	Unem-ployed	Vacs.
1983							
1st qtr.	99.5	94.4	85	105.5	115.9	3,003	124
2nd qtr.	99.5	94.1	91	107.3	119.7	2,987	135
3rd qtr.	101.5	96.0	90	108.3	124.0	2,950	160
4th qtr.	102.9	97.1	96	110.3	151.4	2,941	162
August	101.3	95.8	88	107.6	122.7	2,941	162
September	101.9	95.9	81	110.0	124.2	2,951	164
October	102.2	96.4	91	109.0	130.4	2,941	147
November	102.5	96.5	94	110.9	141.0	2,937	153
December	104.0	98.3	97	111.0	176.6	2,946	155
1984							
1st qtr.						2,999	150
January	104.5	98.7		107.7	123.4	2,976	152
February	102.6	96.8		109.5	122.4	3,005	149
March				108.6		3,016	149

OUTPUT—By market sector; consumer goods, investment goods, intermediate goods (materials and fuels); engineering output, metal manufacture, textiles, leather and clothing (1980=100); housing starts (000s, monthly average).

	Consumer goods	Invst. goods	Intmd. goods	Eng. output	Metal mnfg.	Textile etc.	Hsng. starts*
1983							
1st qtr.	85.7	91.6	105.0	93.0	99.8	88.5	18.1
2nd qtr.	95.6	90.0	105.8	92.2	104.2	88.8	20.0
3rd qtr.	97.1	91.2	108.5	93.9	104.5	90.1	17.5
4th qtr.	87.9	92.3	110.1	95.2	108.3	92.1	15.9
August	97.0	91.0	108.0	94.0	100.0	88.0	16.5
September	97.0	91.0	110.0	93.0	106.0	91.0	16.3
October	98.0	91.0	109.0	94.0	110.0	91.0	18.5
November	98.0	91.0	110.0	94.0	104.0	92.0	18.2
December	95.0	95.0	111.0	95.0	111.0	94.0	11.0
1984							
January	99.0	95.0	112.0	93.0	114.0	91.0	14.0
February	97.0	92.0	110.0	95.0	106.0	90.0	16.0

EXTERNAL TRADE—Indices of export and import volume (1980=100); visible balance; current balance (£m); oil balance (£m); terms of trade (1980=100); exchange reserves.

	Export volume	Import volume	Visible balance	Current balance	Oil balance	Terms trade	Resv. US$bn*
1983							
1st qtr.	102.3	104.5	+203	+1,094	+1,801	97.7	17.34
2nd qtr.	100.3	106.6	−460	−37	+1,556	98.3	17.71
3rd qtr.	99.3	106.6	−248	+653	+1,521	99.4	17.90
4th qtr.	107.4	112.7	+5	+339	+2,122	98.7	17.82
August	98.9	106.5	−78	+223	+532	99.5	18.01
September	102.0	107.2	+52	+352	+525	99.6	17.90
October	103.2	118.9	−423	−312	+561	98.8	18.10
November	104.8	108.2	+71	+183	+661	98.7	18.10
December	114.3	112.1	+358	+469	+901	98.7	17.82
1984							
January	102.2	112.6	−339	−89	+719	98.2	17.78
February	118.8	110.5	+569	+819	+823	97.6	17.96
March							16.75

FINANCIAL—Money supply M1 and sterling M3, bank advances in sterling to the private sector (three months' growth at annual rate); domestic credit expansion (£m); building societies' net inflow; HP, new credit; all seasonally adjusted. Clearing Bank base rate (end period).

	M1 %	M3 %	Bank advances %	DCE £m	BS inflow	HP lending	Base rate %
1983							
1st qtr.	9.5	8.1	10.6	+4,456	1,174	2,520	10.50
2nd qtr.	15.3	14.6	15.0	+5,087	1,071	2,540	9.50
3rd qtr.	8.5	8.4	24.6	+1,491	2,098	2,646	9.50
4th qtr.	10.4	8.8	18.9		2,745	2,815	9.00
August	11.5	10.8	22.5	+ 644	525	928	9.50
September	6.6	2.1	29.7	+ 71	834	892	9.50
October	8.6	4.8	22.8	+1,779	987	978	9.00
November	7.5	6.8	22.6	+1,413	870	959	9.00
December	15.3	15.2	11.9		888	978	9.00
1984							
1st qtr	10.1	8.2	13.6				8.50
January	7.6	11.5	12.2		926	974	9.00
February	7.5	8.8	12.4		954	1,011	9.00
March	14.9	7.1	16.1		729		8.50

INFLATION—Indices of earnings (Jan 1980=100); basic materials and fuels, wholesale prices of manufactured products (1980=100); retail prices and food prices (1974=100); FT commodity index (July 1952=100); trade weighted value of sterling (1975=100).

	Earnings	Basic matls.*	Whsale. mnfg.*	RPI*	Foods*	FT* comdty.	Strlg.
1983							
1st qtr.	144.7	124.6	121.8	327.0	302.1	277.29	80.5
2nd qtr.	148.0	123.6	124.2	333.7	306.3	272.89	84.3
3rd qtr.	150.9	124.7	125.1	338.0	310.4	288.14	84.9
4th qtr.	153.2	128.4	126.7	341.8	316.4	298.59	83.2
August	150.4	124.6	124.9	338.0	309.4	292.02	85.1
September	150.5	126.5	125.7	338.5	312.0	288.14	84.8
October	151.7	126.2	126.2	340.7	314.5	283.18	83.4
November	152.8	127.4	126.8	341.9	316.1	288.10	83.7
December	155.1	131.6	127.3	342.8	318.5	298.50	82.5
1984							
1st qtr.		134.2	129.1	343.9		308.67	81.7
January	152.7	135.5	128.1	342.6	319.8	295.75	81.9
February	153.7	134.2	128.9	344.0	321.4	281.34	82.2
March		133.0	130.2	345.1		308.67	81.0

* Not seasonally adjusted.

Optimistic outlook by Sun Alliance

Lord Aldington, chairman of Sun Alliance Group, in his annual statement, regards the long-term outlook with optimism and foresees e profitable future with sound growth. He does not share the views of those who regard the outlook for insurance companies as bleak.

New communications technology has opened up fresh fields in worldwide insurance marketing. The group's international department, dealing with composite insurance programmes for large multinational groups is the most rapidly growing sector of Sun Alliance's operations.

As already reported, pre-tax profits rose from £56.8m to £73.4m in 1983 following e slight lowering of underwriting losses to £67.4m, against £70.9m. The dividend was lifted by 16.7 per cent.

In the UK, the group's commercial insurance markets achieved some measure of stability last year, with increases in premiums in some classes. There was real growth in net premiums. In the personal sector, the household account also showed real growth. Despite the better weather last year, this account was hit by a significant increase in subsidence claims, e high level of storm claims and rising theft claims.

The consolidated balance sheet for 1983 shows total funds rising from £3.59bn to £4.32bn, of which the long-term funds rose to £2.01bn (£1.62bn).

Investments rise £1bn at L & G

TOTAL INVESTMENTS representing insurance and shareholders funds at Legal & General climbed by over £1bn from £7.27bn to £8.34bn in the 12 months to end-December 1983.

A large part of the increase was accounted for by long term gilt and equity investments. As at the year end, long term gilt holdings were £253m higher at £2.28bn and equity holdings were up from £1.83bn to £2.37bn.

Other sizeable increases were in freehold and leasehold properties which rose to £2.39bn (£2.23bn) and other fixed interest securities were £511m, against £415.2m, including redeemable fixed interest securities of Banner Life at an amortised cost of £88.6m.

Of the total investments some £7.97bn (£6.94bn) is attributable to the long term account and the remaining £373m (£332.7m) to the shareholders and short term account.

In his annual statement, Mr R. J. Ball, the chairman, says: "We are wetching with keen interest the current far reaching changes that are taking place in the Stock Exchange.

"We welcome the advent of negotiated commissions which we see as broadly beneficial for our customers. The speed of change in the securities industry emphasises the need for continued vigilance on investor protection, as expressed by Prof Gower, but at the same time makes it more difficult to achieve," he points out.

He also refers to the public debate on portability of pensions which has sprung up largely as e result of concern at the problems which some "early leavers" have experienced.

Along with many other interested parties he says: "We have taken an active part in that debate, and made our own detailed submission to the Committee of Inquiry set up by the Secretary of State.

"Briefly we would support measures to widen the range of choices for pensions provision, but we strongly oppose any legislation which would undermine 'final salary' schemes in favour of 'do-it-yourself' arrangements which could leave millions of employed people and their families worse off."

He adds that: "As the leading pensions office in the UK we are well aware of the complex nature of this subject and we feel we can take an objective view."

Commenting on the Chancellor's decision to abolish life assurance premium relief on new business, Mr Ball says "It would be foolish to say that this is of no consequence to us. We would clearly have preferred the relief to remain."

However he points out that Legal & General sells in considerable volumes single premium and personal pension policies which are not affected by the change in tax relief.

The annual meeting will be held on May 16, at Temple Court, at 2.30 pm.

MPA is one of the leading firms of International Employee Benefit Consultants in the U.K.

Increasing demand for our services in the pension fund investment field has created new positions in London and our new North London/M25 office.

A Consultant with a comprehensive knowledge of pension fund investment media and methods.

A Consultant with a detailed knowledge of group insurance contracts for pension funds.

Successful candidates will speedily be given client responsibility. Sound technical knowledge and presentation skills will be required.

Assistants to join our investment consultancy and performance measurement teams. These positions would suit numerate graduates — preferably with some investment knowledge. Training will be provided for the successful candidates to achieve Consultant status.

MPA offer excellent fringe benefits, conditions of employment and career opportunities. Salary will be no problem for the right candidates. If appropriate, relocation assistance will be provided.

MPA

INVESTMENT SERVICES

Please apply, in confidence, for an application form to:
Stephen Boscoe, MPA Limited,
Burwood House, 16, Caxton Street,
London SW1 0QU.
Tel: 01-222 9121

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Harlow Meyer Savage Limited

Experienced Dollar Deposit Broker-Singapore

A vacancy exists in our Singapore office for an experienced dollar deposit broker, preferably, but not necessarily, single and in the mid-twenties. In addition to broking, the successful candidate will be required to assist in the general development of the dollar deposit business. Prior to departure for Singapore it is envisaged that approximately three months will be spent in our London office to gain familiarity with our operation.

Please apply to:
David Spong, Harlow Meyer Savage Ltd
Adelaide House, London Bridge, London EC4R 9EQ
Tel. No. 01-626 7890

EUROBONDS YOUNG FRN TRADER

£30,000
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Here is an opportunity for a young FRN Trader with two or three years experience to join a famous International Merchant Bank who plan to increase their Eurobond division substantially during the coming year. There are excellent career prospects with a wealth of opportunities.
Ideal age would be 25 to 30.

Speak to Sally Poppleton in complete confidence
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APPOINTMENTS WANTED

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Write Box A8586, Financial Times 10 Cannon Street, London EC4P 4BY

CITY CONSORTIUM BANK

HEAD OF OPERATIONS

Our client, a Recognised Bank, is looking to recruit an able individual to take over from an Executive Director upon his retirement next year.

The job has full responsibility for the accounting function, settlements, D.P., taxation, company secretarial, personnel and general office administration.

You will be an energetic Chartered Accountant with a thorough banking background gained either through direct experience or indirectly through audit, consultancy or taxation work within banks.

For further details please write to or telephone:

Rochester Recruitment Ltd., 21 College Hill, London EC4R 2RP
Telephone: 01-248 8346

City of Glasgow Friendly Society

INVESTMENT MANAGER

Applications are invited from suitably experienced persons to manage the Society's investment portfolio.

The Society is a progressive expending Life Assurance office, mainly invested in fixed-interest and equity stocks, and direct property. Administration and surveillance are carried out by computer and applicants should preferably have some acquaintance with computer systems.

Attractive terms, including subsidised house purchase loan, will be offered.

A comprehensive C.V. should be submitted in complete confidence, to:
MR. D. WRIGHT,
GENERAL MANAGER & ACTUARY
CITY OF GLASGOW FRIENDLY SOCIETY
200 BATH STREET, GLASGOW G2 4HJ
TEL: 041 332 6531

SCOTTISH WIDOWS FUND AND LIFE ASSURANCE SOCIETY

INVESTMENT ANALYST

We are seeking an experienced analyst to join our UK equity research team. The post offers considerable scope for personal responsibility and the analyst will work within a small and highly professional group, based in Edinburgh. In addition to an attractive remuneration package there are excellent career prospects.

The successful applicant is likely to be a graduate aged under 30 with some years' experience in this type of analysis. He or she must be capable of contributing at an early stage and within a team environment.

Applications giving full details of qualifications and career to date should be made to:

Staff Manager
SCOTTISH WIDOWS' FUND AND LIFE ASSURANCE SOCIETY
15 Dalkeith Road
Edinburgh EH16 5BU

UNIQUE CAREER OPPORTUNITIES

FINANCIAL SERVICES

Kent, Sussex, Surrey and Essex

Highly reputable and well established financial group have career opportunities within its successful sales team. Successful candidates will undergo full and thorough training in order to successfully advise private and corporate clients.

Applications are invited in strictest confidence from candidates aged 24-45, resident in the above locations, who are able to demonstrate previous success in any field.

To apply for an initial exploratory interview, write in strictest confidence to:

Box A8424, Financial Times
10 Cannon Street, London EC4P 4BY

EUROBOND SETTLEMENT

Due to expanded business, the London subsidiary of a major Japanese Investment House is seeking to recruit at least one extra staff for the Administration Department. At first work would be in the area of Eurobond Settlement expanding later to Yen Bond Settlement.

Candidates will probably be recent graduates and/or have some relative City experience. Emphasis will be placed on initiative and ability to contribute in an Anglo-Japanese team.

Salary will be commensurate with abilities. Prospects are very good; with opportunities to become a Manager of the Settlement Section.

Applications, which will be treated in the strictest confidence, should be sent in the first instance to:—

The Company Secretary
(Eurobond Settlement application)
New Japan Securities Europe Limited
Princes House
95 Gresham Street London EC2V 7NA

Scrimgeour, Kemp-Gee & Co

Fixed Interest Sales Executive

We wish to recruit an additional Sales Executive for our expanding Fixed Interest Department.

The candidate should have current experience in this field and be capable of working on his/her own initiative. The position commands an attractive remunerative package with the usual benefits.

Please apply in writing to:—

T. G. Harle, Esq.
SCRIMGEOUR, KEMP-GEE & CO.
20, Copthall Avenue, London EC2R 7JS

PROPHETS ?
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Where is your business going in the next few years? Are you and your colleagues in charge of your future?

GHN work with key managers to evolve solutions to career management, development and outplacement problems.

The need arises
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TELEPHONE: PETER GARDINER-HILL ON 01-493 5239
WRITE TO: GARDINER-HILL NEEDHAM
16 HANOVER SQUARE, LONDON W1R 9AJ

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requires a

Broker Liaison Executive

Salary: £15,000 p.a. basic with potential earnings up to £40,000

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We are one of the country's fastest growing organisations specialising in the management of private clients' financial affairs. In order to build business with Insurance Brokers we are seeking a person with a proven track record who has relevant industry experience. The successful candidate is likely to be in the age bracket of 25-40 years.

Please write giving full career details to:

R. D. Young, Managing Director,
Touche Remnant Financial Management Ltd.,
Mermaid House, 2 Puddle Dock,
London EC4V 3AT.

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Birmingham: 021-643 4830 The Rotunda, New Street.
Nottingham: 0602 584561, Gothic House, Barker Gate, NG1 1JU.
Manchester: 061-228 0089, Sunley Building, Piccadilly Plaza.
Glasgow: 041-332 1502, 141 West Nile St., G1 2RN.

YOUNG BANKER

Long-established, privately-controlled banking services group requires graduate in 20s with three years' banking experience in corporate customer liaison, credit analysis and security documentation.

A competitive salary reflecting the responsibilities of this position will be negotiated.

For further details please write to:

Richard Over Staff Application
52, Berkeley Square
London W1X 6EH

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Edinburgh	031-225 5680	47a George St.
Leeds	0532 450243	12 St. Paul's St.
Manchester	061-236 8409	Faulkner Hse, Faulkner St.

International Appointments

Audit Managers

– Finance and Treasury
– Credit

Kuwait **c.£30,000**

Our client, one of Kuwait's largest domestic and international banks, operates sophisticated accounting and management techniques and has a well established internal audit function.

The Manager – Finance and Treasury, and the Manager – Credit, will report to the Head of the Audit Department. Both positions demand a thorough understanding of accounting for international and commercial banking operations and the personal skills to lead their specialist teams under constant exposure to senior management.

Applicants must be qualified accountants, ideally aged 30-40, with at least five years relevant experience either with a major auditing practice or another international bank.

The two year renewable contract carries an attractive level of expatriate benefits with career progression opportunities.

Please address your application and career details to Douglas G Mizon (Ref. F444M) at:

Ernst & Whinney Management Consultants,
Becket House, 1 Lambeth Palace Road, London SE1 7EU.

INTERNATIONAL FINANCIAL CONSULTANTS

Blue Chip Appointments

There are large numbers of British and other ex-patriates living throughout the world, earning substantial salaries and needing skilled advice in order to maximise their long-term financial benefits.

We are in business to help them and have achieved substantial investment growth over the past year for our clients.

As a consequence, there is an increasing demand for our services, so that we must now appoint further Consultants.

The sort of people we are seeking are likely to have had a professional background in which they have achieved considerable success. However, what is certain is that they will have a natural self-confidence and discipline.

Experience of handling financial negotiations at a senior level, preferably with an overseas involvement may be an advantage but is not essential. A second language would, of course, also be an asset.

Our HQ is in Amsterdam but your working location would be where the market is.

We deal in high value services which can produce an equivalent return for the Consultants who manage and deal in them, making this a true Blue Chip appointment.

So if you think we may be speaking your language, please write enclosing a CV or full career details, in the first instance, quoting Ref. 267FT, to: E.R. Wilcockson, Director, Whites Bull Holmes Ltd., 63-66 St. Martin's Lane, London WC2.

FINEXCO

LEASE ADMINISTRATOR

We are a young, dynamic and fast growing public company which has recently diversified into the field of Medical Equipment Leasing with the formation of a new subsidiary company—Atlantic Medical Limited.

The expansion of the Company leads to an opening for a young, experienced Lease Administrator. Some knowledge of the medical field would be useful. The successful applicant will be fully conversant in liaising with both Lessees and Lessors and will be responsible for the administration of all documentation connected with transactions. The position demands someone who is able to work on his/her own initiative within the Group's Lease Finance Department.

Preferred age is 20-30 years. The position carries a competitive salary which is negotiable depending on age and experience plus other Company benefits.

Please write with full c.v. to:

Brenda J. Kelly
Atlantic Computers PLC,
Atlantic House, Red Lion Court,
London EC4A 3EB.

International Appointments

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RATE £34.50
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Accountancy Appointments

Director of Finance and Administration

Advertising & Public Relations

c.£21,500 + car + benefits

This specialist non-consumer advertising agency has recently achieved a USM placing and is poised for further expansion. It is highly respected, having achieved its success through a combination of commitment, creative talent, total professionalism and entrepreneurial flair.

The growth, which has included a three-fold increase in staff to 90 in eighteen months, has increased the demand for highly effective finance and administrative functions. The initial tasks will include participating in the integration of a newly acquired computer and tightening financial and reporting routines throughout the group. Beyond this, the main thrust will come from providing a creative financial input to all decision making and from deputising for the Group FD/Company Secretary, who currently operates on a part-time basis.

Candidates will be qualified accountants, preferably Chartered. They must also be able to evidence an impeccable academic and career track record. Previous success in an advertising agency is desirable. High intellectual agility, strong personal presence and a creative business mind are essential to establish and maintain credibility in this fast moving, dynamic environment. Successful performance will create the opportunity to become Group Financial Director. Excellent benefits include a car, a non-contractual share incentive scheme and a profit share. Preferred age: early 30s.

Please reply in confidence giving concise career and personal details and quoting Ref: ER 688/FT to I D Tomisson, Executive Selection.
Arthur Young McClelland Moores & Co., Management Consultants, Rolls House, 7 Rolls Buildings, Fetter Lane, London EC4A 1NH.

Arthur Young McClelland Moores & Co.
A MEMBER OF ARTHUR YOUNG INTERNATIONAL

Deputy Audit Manager

International Banking

ACA, 27-32. **c. £20,000+banking benefits**

The new position of Deputy Audit Manager is offered by a long-established, foreign-owned, UK-registered bank in the City of London. Total staff is approximately 220, with an audit department of five.

The appointee will play a key role in the introduction of new techniques within the department, and in the planning, scheduling and execution of audits throughout the bank. Occasional travel to overseas branches may be involved.

Candidates should be qualified accountants, preferably chartered, who have either specialised in the banking sector within the profession or gained post-qualification experience in a bank. An appreciation of modern audit techniques and of computerised systems is essential. Future career prospects are excellent.

Please write in confidence, enclosing career details and quoting reference 4456/L, to N.P. Halsey, Peat, Marwick, Mitchell & Co., Executive Selection Division, 165 Queen Victoria Street, Blackfriars, London EC4 3PD.

PEAT MARWICK

ACCOUNTANCY APPOINTMENTS APPEAR EVERY THURSDAY

Rate £34.50 Per Single Column Centimetre

Finance Director

(Designate)

Specialist Building Products

Northamptonshire

c.£15,000+car

This British subsidiary of a substantial European firm, established for 100 years, distributes quality roofing and other building products. The Company is profitable and further development is planned.

The person appointed will be expected to make an early contribution to overall Company management, and will deputise for the Managing Director in his absence. Day to day negotiations will include the management of Accounts staff and the production of accounting and management information. Other responsibilities will include systems and computer development.

Candidates will be Qualified Accountants probably ACMA's in their late 20's or early 30's, who have managed an Accounts Department and whose experience includes costings and budgetary control. Some experience of small computers would be useful.

Rewards will include a car, an early salary review and if necessary, relocation expenses. Appointment to the Board in early 1985 is envisaged.

Please reply to Herbert M. Smith in strict confidence with details of age, career and salary progression, education and qualifications, quoting reference 1283/FT on both envelope and letter.

Deloitte Haskins+Sells
Management Consultants
128 Queen Victoria Street, London EC4P 4JX

ACCOUNTANCY APPOINTMENTS

Banking ACA City **c £17,000 pa**
Major US Bank seeks a graduate ACA aged c28 years who has several years' bank accounting/computer systems experience. Responsibilities will include management and financial reporting, HO returns, budgets, forecasts, corporate planning etc. Excellent career prospects are envisaged including full managerial status, within twelve months.
Please contact Brian Gooch.

Accountant Commodities City **to £15,000+bonus+benefits**
Clients extending their brokerage service seek an additional high calibre team accountant. Applicants should either have practical futures accounts management experience or be newly qualified with an appreciation of future requirements. Career prospects are excellent within this multi-market associate of a US group.
Please contact Michael Hutchings.

Brand Accountant WI **c £13,000**
Major US fmcg company with household-name brands seeks recently (or nearly) qualified ACCA or ACMA. Responsibilities include preparing and evaluating product sales, forecasting, budgeting, performance monitoring and control of promotional spending. First rate opportunity for an ambitious, out-going accountant with good communicative abilities.
Please contact David Wilkinson.

Business Orientated Accountants
The established subsidiary of a well known public group operating in the leisure industry T/O £50M now seeks:

Finance Manager Luton **c £13,000+car**
A qualified accountant educated with a relevant degree. Duties will include analysis of accounting data, preparation of reports, exerting considerable influence on commercial decisions and involvement with computerised systems development.

Part Qualified Financial Analyst Luton **c £10,500**
Nearing completion of ACCA/ICMA studies, the appointee will be involved in interpreting business movements, trends and spotting profit opportunities providing vital information to management.
Please contact Peter Haynes.

All applications will be dealt with in strict confidence.

Jonathan Wren ACCOUNTANCY DIVISION
170 BISHOPSGATE
LONDON EC2M 4LX
01-623 1266

Bank Recruitment Specialists

A.C.A. with knowledge of treasury

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£20–25,000

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Our client is the Treasury Division of a major international bank. It is embarking on a radical re-development of its activities to ensure its position as a prime name in worldwide currency markets. In addition the division provides strategic management of the balance sheet for the entire group.

They must now recruit a Manager — Management Information Systems to design and drive forward crucial systems development providing 'state of the art' reporting to the dealing and marketing areas; and, on a broader basis, to develop 'fast-response' financial models for assessing balance sheet exposure through currency and interest rate movements. This is a pioneer role in every sense.

Ideally, candidates will already be involved in conceptually advanced systems planning for treasury areas, both in sterling and foreign exchange markets and a wide range of secondary market products. Alternatively, they should have sound management accounting skills gained in a large U.S or U.K. bank environment. Candidates must be instinctive and enthusiastic communicators, and have an appetite for innovation and original thought.

This opportunity at the heart of a major bank provides a natural stepping stone for fast career progress. Salary is not an inhibiting factor for the right candidate.

Please send a detailed C.V. or contact Kevin Byrne at the address below. All applications will be treated in the strictest confidence.

Anderson, Squires
Bank Recruitment Specialists
85 London Wall, London EC2

Anderson, Squires

FINANCIAL MANAGER

An International Lloyd's brokerage with extensive U.K. operations seek a young Chartered Accountant with exceptional ability for a demanding role at senior level. In addition to full responsibility for financial and management reporting on group activities, a substantial element of project work is envisaged. Candidates aged c30 should be able to demonstrate a blend of flexibility and real ambition together with a pre-disposition to the financial services sector.

E. LONDON. Ref: PAB c£18,000 + Car

ELECTRONICS

This successful and rapidly growing electronics company offers an excellent career move to a young, ambitious, commercially-minded accountant. The Senior Management Accountant will enjoy a broad, challenging role offering considerable exposure to top level management. Supervising three staff, responsibilities will include budgets, capital expenditure work and the business plan. Suitable candidates will be qualified accountants in their late 20's with a proven career record.

HERTS. Ref: JG £14,000 + Car

ROBERT HALF
FINANCIAL RECRUITMENT SPECIALISTS

Investment House

C. London

Our clients are a recently-formed but already successful Company with access to substantial public and private sector funds for investment in business opportunities, which meet well-defined social as well as economic criteria. The Company employs a wide range of specialists to review investment proposals, assist the implementation process and provide on-going support. The Finance Division controls internal finances and provides services to these specialist areas. This division is now to be strengthened by the following new appointments.

Assistant Controller **£15,000**

He or she will manage a small staff responsible for the preparation of monthly accounts and other management control information. The role will expand in breadth and authority as the Controller becomes increasingly involved in wider responsibilities. Applicants should be qualified (ACA, ACMA or ACCA) and aged mid/late 20's. Ref 1586/FT.

Management Accountant **£13,000**

Reporting to the Controller, he or she will operate a system of financial controls to verify the proper evaluation of business proposals and to monitor the Company's on-going investments. Applicants should be recently qualified with an enquiring mind and the ability to work with the minimum of supervision. Ref 1587/FT.

Send full c.v. (with telephone numbers and current salary) to R.A. Phillips, ACIS, FCII, Phillips & Carpenter, 2/5 Old Bond Street, London W1X 3TB or telephone for an application form 01-493 0156 (24 hours).

Phillips & Carpenter
Selection Consultants

Hoggett Bowers

Executive Search and Selection Consultants

BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE and SHEFFIELD

Financial Control/Business Strategy

North Midlands, c.£25,000 + profit sharing

This is an influential, high levai financial appointment within the manufacturing group of one of Britain's foremost companies. It requires a manager with e clear understanding of all business issues and, whilst an accounting qualification would be appropriate, this is not mandatory. Applicants, however, will be graduates in their 30's with experience gained in e high volume, multi-divisionel, international company operating sophisticated control systems. Responsibility is to the Senior Executive for the provision of management accounting information, and the co-ordination of the financial activities of satellite factories and depots both at home and abroad. Supported by a small professional team, other major tasks will include forecasting and controlling new product investment, working capital, and profit performance for the group. It is a position which requires high intellect, a flexible and creative approach to business solutions, and an ability to withstand considerable pressure and fece difficult issues. Career opportunities within this growth company are exceptional.

R.D. Howgate. Ref: 27335/FT. Male or female candidates should telephone in confidence for a Personal History Form **061-236 8981.** *Sun Life House,* 3 Chorlotto Street. **MANCHESTER** M1 4HB.

SYSTEMS ACCOUNTANT

NORTHERN HOME COUNTIES **c £15,000**

A major British Group involved in high technology is looking for a Systems Accountant.

Extensive computing development is well in hand, and the person appointed will be required to play a major role in establishing the systems for the future.

Applicants should be preferably qualified (ACMA, ACCA or ACA). They should have a sound knowledge of batch and on-line computer systems development. They must be capable of planning, developing and implementing a programme of full computerisation.

Location is Northern Home Counties.

Applicants should send a c.v. indicating companies for which they do not wish to be considered to:

William Lawrence ADVERTISING
THE LAWNS, MOUNT PLEASANT, ST ALBANS, HERTFORDSHIRE

FINANCIAL CONTROLLER AND COMPANY SECRETARY

c.£14,000

Atlas Agrochemicals Limited is an expanding privately-owned company which formulates and markets agricultural chemicals and has a turnover of £4,000,000. Based at Erith, Kent we are within easy reach of the city and the Kent countryside.

The Financial Controller reports to the Chairman/Managing Director, and is supported by a small team. Key responsibilities include treasury matters, cash management, budgetary control and the provision of financial information both to the Directors and Shareholders. The company's accounting and other control systems have been recently computerised and the Financial Controller is also responsible for overseeing the computers development and upgrading. As a member of the Management team, the jobholder also contributes to the policies and development of the company, and as Company Secretary deals with legal, insurance, pensions trust, patent and trade mark matters.

Applicants must be qualified Accountants with experience of cash management and computerised accounting systems, and should be able to communicate effectively at all levels.

We offer a salary of c. £14,000, good contributory pension scheme with free life assurance. Relocation terms and company car may be made available according to circumstances.

Please write or telephone for an application form from:

Mrs. M. D. Halpas
Atlas Agrochemicals Limited
Fraser Road, Erith
Kent DA8 1PN.
Tel: ERITH (03224) 32255
Telex: 896176 Atlas G.

ATLAS

Accountancy Appointments

FINANCIAL MANAGEMENT for large engineering group

The Royal Ordnance Factories are a large chemical and engineering group of 13 factories engaged in the design, development, manufacture and marketing of a wide range of defence equipment and supplies. Turnover in 1982/3 was £448.5 million with trading profits of £68.8 million. Under legislation at present at Committee stage the ROFs will *become* a Companies *Act* Company, in preparation for the introduction of private sector capital. Vesting date is expected to be 1 October, 1984.

There are a number of challenging opportunities throughout the UK for Principal Accountants. Apart from the normal accounting duties undertaken in a large manufacturing company, these posts call for management skills, team leadership and involvement in activities ranging from product and overhead costing to procurement of materials.

Candidates must be Chartered, Certified, Cost and Management or Public Finance Accountants or be eligible for admission. They should have extensive experience, preferably in an industrial environment. Knowledge of, and interest in, computer-based accounting systems and procedures are also required.

SALARY: £12,395-£16,655. Up to £1250 more in London.

For further details and an application form (to be returned by 21 May 1984) write to Civil Service Commission, Alencon Link, Basingstoke, Hants, RG21 1JB, or telephone Basingstoke (0256) 68551 (answering service operates outside office hours). Please quote ref: G(4)686/2.

An equal opportunity employer.

ROYAL ORDNANCE FACTORIES

Engineering Group

Northern Home Counties

A British Engineering Group has recently been restructured and is now set on a path of real growth. Two accountants of above average ability are now sought to form part of a young and dynamic management team.

Management Accountant

c.£17,000 + car

The need here is for an ambitious young accountant (28-35) who is now looking for the chance to prove that he or she is capable of rapid promotion to a Controllership. Strengths in product costing and manufacturing control systems, pricing, financial analysis, systems and DP are essential. Previous experience should have been mainly engineering orientated. Ref B2211.

Financial Accountant

c.£14,000 + car

Reporting to the Group F.D. this position is responsible for the accounts of the holding company together with the consolidation of all Group financial statements. Experience of group taxation would be an advantage. The successful applicant is likely to be a recently qualified Chartered Accountant aged around 26 with a background in one of the major practices. Ref B2213.

For candidates who are innovative and energetic both of the above could offer exceptional career opportunities.

Applicants should either write or telephone quoting appropriate reference.

Peter Nurse, Mason & Nurse Associates,
126 Colmore Row, Birmingham B3 3AP.
Tel: 021 236 0066
Offices in London and Birmingham

Mason & Nurse
Selection & Search

Financial controller

North London, £25,000+attractive benefits

C&L

Strong management and a successful product range has contributed to the outstanding growth of this small but well established financial services group.

Responsibility is for the entire financial function and in reporting to the Managing Director you will play a key role in contributing to the continuing profitable expansion of this marketing-orientated group.

A qualified accountant aged from 32 you must be thoroughly experienced in computer based financial and management accounting. Previous commercial sector experience is not essential.

Résumés including salary history and a daytime telephone number to B S Grossman, Executive Selection Division, Ref. G017.

Coopers &Lybrand associates

Coopers & Lybrand Associates Limited
management consultants

Fleetway House 25 Farringdon Street
London EC4A 4AQ

Accounting Manager

c£16,000 — Central London

Our client is the UK division of a prestigious, aggressive and independent oil and gas production and exploration company with T/O 1983 of £95m and total assets of £180m.

They currently seek an Accounting Manager who will report to the Finance Manager and be primarily responsible for all accounting functions, reviewing of policies, procedures and internal controls and recommending changes where necessary. Additional responsibilities will include supervising a team of 4, assisting the Finance Manager in special projects and investigations as requested, and providing company representation at various Boards and Professional Organisations.

Candidates should be qualified ACA, or ACCA, with a minimum of 3 years experience preferably in the oil industry. Starting salary will include a benefits package of pension plan, BUPA and LVs, in a modern, well fitted office accommodation.

Please send CV to Mrs. Pat Cook, PER London Central, Rex House, 4-12 Regent Street, London SW1Y 4PP.

PER Executive Selection

Divisional Accountant

TEXAS HOMECARE

Our Distribution Division expects results. Fast.

Last year, Texas Homecare declared a profit of £7 million after tax, on a turnover of £136 million. This year's figures should be even better. Because Texas is growing. Already we have 110 stores around the country. 1984 will see 20 more open. And now we are setting out to make each region and each division in the Group responsible for its own profitability.

That's where you come in. Our National Distribution Centre at Eaton Socon, Cambridgeshire has recently moved into exporting as well as UK distribution and importing. The Centre should prove an exceptionally profitable area.

To oversee all aspects of accounting for this division, we need to appoint a Divisional Accountant, a fully qualified man or woman up to 40 years of age, ideally with experience of distribution, importing and exporting.

Reporting to the Divisional Director and with functional responsibility to the Group Financial Director, your duties will cover expenditure, cash flow forecasting, budgeting and production of management accounts.

The results of your efforts will play a major role in the development of this rapidly expanding organisation.

In addition to the £17,000 salary, a first rate benefits package will be offered, inclusive of company car.

Write with full C.V. to: Mr. A. Jowett, Personnel Manager, Texas Homecare Limited, The Hyde, Edgware Road, Colindale, London NW9 5AQ.

TEXAS HOMECARE

Raising the standard of Retail Opportunity.

International Tax Manager

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Our client, a major firm of Chartered Accountants, has identified a clear need for an additional partner in the International tax field within the next two to three years.

The role, initially at senior manager level, will encompass the provision of advice to clients, the London and other UK offices and to overseas associates. In addition there will be involvement in tax committee meetings, production of the firm's international tax publications, dissemination of information within the firm and provision of international tax training.

Pre-requisites will be a university degree, an accounting or legal qualification, a minimum of four years tax specialist experience and some previous exposure to International tax. Age indicator 27-34.

Although a high technical standard is vital, candidates must also show persuasive marketing skills, an acute commercial approach, the personality to negotiate both internally and externally at the highest level, and the ability to develop the firm's full potential in this specialist field.

In the first instance please write to Peter Morris, Taxation Division, PO Box 143, 31 Southampton Row, London WC1B 5HY. Telephone 01-405 0442.

MP
Michael Page Partnership
International Recruitment Consultants
London New York
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Financial Controller

London — From £17,000 + Car

MPSI, a US public company founded in 1970, provides computer software and data bases to assist petroleum companies and other multi-outlet retailers in making site selection and other strategic and operational decisions. Global turnover is now in excess of $14m following outstanding growth in recent years.

We seek a Financial Controller to join the small, highly professional management team of the UK subsidiary responsible for all business activities in Europe, Africa and the Middle East. Based in London, the company, also has its operations offices located in Bristol.

Reporting to the Senior Vice President you will have responsibility for providing full management and financial accounting services for both U.K. and U.S. reporting purposes, including regular sales forecasting and budgeting requirements. You will also act as Company Secretary.

This is a demanding role which will be attractive to a fully qualified accountant, ideally a graduate, with sound experience gained within a dynamic and fast growing environment. Familiarity with U.S. accounting practices is essential, together with the ability to develop computerised systems.

Salary negotiable from £17,000 plus an excellent benefits package including car. Considerable scope for personal and professional development will exist.

MPSI™ **Please write with full career details to: The Senior Vice President, MPSI Systems Ltd., 85/87 Jermyn Street, London SW1Y 6JD.**

GROUP MANAGEMENT ACCOUNTANT

Qualified accountant with post-qualification experience is required by the Head Office of a UK based engineering group with international interests. The Group has a turnover of approximately £100m, operates within a divisionalised structure and the Head Office is based in Hertfordshire. The successful applicant will be responsible for co-ordinating and developing all management accounting information within the Group and will also be involved in other aspects of the Group accounting function. Salary is negotiable for this responsible position and benefits include pension and life assurance. A company car will be provided and relocation costs will be paid.

Please write with full curriculum vitae to:

**Box FT/853, St. James's House,
4/7 Red Lion Court, Fleet Street,
London EC4A 3EB.**

MANAGEMENT CONSULTING **To £18,000 plus car** **North West**	A leading firm of Management Consultants seek a graduate ACMA aged 27-32 with first class costing experience in manufacturing industry to service a wide range of clients based in N.W. England. Essential attributes include excellent analytical and communication skills and strong computer systems experience. REF DES.
COMPANY SECRETARY **c £16,000** **South Coast**	An accomplished ACIS aged 30-45 with proven secretarial experience, preferably gained in an industrial environment, is sought by our client an electronics group shortly to go on the USM. Good interpersonal skills and the ability to influence a dynamic general management team are essential. REF: MJH.
PROJECT FINANCE **To £15,000** **London**	This major North Sea project will ultimately generate a substantial proportion of the U.K.'s energy requirements. Strict financial control and the production of quality management information require the talents of an ambitious Accountant with multi-national experience and a good EDP awareness. REF DE.
FINANCIAL PLANNING **c £14,000 + Car** **N. London/Herts.**	The general management team of our client, a high technology manufacturer with an impressive growth record, seeks the skills of a young Accountant to assist in their continued expansion plans. Requirements include technical expertise, financial flair and the ability to communicate at all levels. REF DE.
RECRUITMENT **c £20,000 (o.t.e.)** **City**	Have you ever considered a career in (or ideally currently have experience of) senior financial recruitment? If so Hudson Shribman will offer a first rate environment for your skills to flourish. Interested candidates (aged under 35) should call DAVID SHRIBMAN for further details on the number below.

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The complete financial selection service
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Our client has c.$100m annual turnover from worldwide activities in the ENTERTAINMENT business. The vacancy involves extensive travel to the capital cities of EUROPE, AUSTRALIA, NEW ZEALAND, SOUTH AFRICA, JAPAN and several LATIN AMERICAN countries.

Within the probable age range 22-30, candidates should be enthusiastic, self-reliant and single with the ability to use diplomacy in eliciting vital information. Semi-fluency in a second language would be useful and promotion prospects after 2 years are excellent.

Please telephone and send career details to:

GEORGE D. MAXWELL, Managing Director,
ACCOUNTANCY APPOINTMENTS EUROPE,
1-3 Mortimer Street, London W1N 7RN.
Tel: 01-637 5277 (12 lines)

GROUP ACCOUNTANT

£ Salary negotiable+car — Qualified

Hemel Hempstead, Herts.

We are the leading private company in the field of holiday parks in the UK, controlling businesses with a total turnover around the £15 million mark. We have an excellent profit growth record both from acquisition and efficiency. Due to internal promotion and to cope with the fact that we have just started up operations abroad, we require a new Group Accountant for one of our operations.

The successful applicant will be responsible directly to the Board for all accounting matters, budgeting, some aspects of tax planning and appraisal of investment decisions. We are a young dynamic management team and would like to hear from first-class candidates with sound communication skills who are probably looking to make their first move into industry with a group that rewards hard work and ability.

Salary will not be a problem for the right candidate.

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SENIOR ACCOUNTANT

TREASURY FUNCTION

£14,250 to £17,266 p.a. inc. (under review)

The Electricity Council manages the Treasury function on behalf of the CEGB and Area Electricity Boards in England and Wales. Applications are invited from accountants or other suitably qualified persons to join the small team who are responsible for forecasting the Industry's cash requirements, raising its funded and temporary borrowings, servicing existing loans, managing a cash flow of £20 billion pa and calculating actual and projected interest charges.

The work is both demanding and interesting. You should have an accounting qualification and/or degree in related subjects and be able to think creatively. Commercial acumen, swiftness of decision, an ability to communicate effectively both orally and in writing, are essential. You will deputise for the Branch Head in his absence.

Please write in confidence, giving details of career to date and present salary, quoting Ref. 30/FT to:
David Webb, Recruitment Officer, The Electricity Council, 30 Millbank, London, SW1P 4RD.

ELECTRICITY COUNCIL

Accountancy Appointments

Group accountant

London, up to £18,000+car

C&L

For a major expanding international Lloyds insurance broker, part of a substantial plc, with income of £15 million and an exceptional record of profit growth.

Reporting to the Financial Controller and managing the accounting team, your responsibilities will cover the whole spectrum of financial and management accounting and reporting with a strong emphasis on interpretation and analysis. In addition you will play a prime role in the further development of computerised systems.

Probably in your late 20s or early 30s you will be an ambitious qualified accountant currently working in industry or commerce, or in the profession with good post qualification experience. Excellent company benefits include a discretionary profit sharing scheme and BUPA.

Please write enclosing a curriculum vitae and a daytime telephone number to Stephen Blaney, Executive Selection Division, Ref. B186.

Coopers &Lybrand associates

Coopers & Lybrand Associates Limited
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Fleetway House 25 Farringdon Street
London EC4A 4AQ

FINANCIAL MANAGEMENT in the computer industry

key roles in Wang's further development

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c.£19,000 + car
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The successful applicant will have at least 5 years' relevant experience in a large company environment, preferably in the high technology industry.

Financial Accounting Manager
c.£17,000 + car
This post, resulting from internal promotion, oversees the accounting, payroll, bought ledger and treasury functions.

The successful applicant will be a Chartered Accountant with at least 2 years' relevant commercial experience, preferably with knowledge of US reporting.

Aged around 30, candidates for both positions will have had good career progression to date and be seeking a real challenge in a fast-moving environment.

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Please send full career details to Clare Taylor, Wang (UK) Limited, Wang House, 661 London Road, Isleworth, Middlesex TW7 4EH. Or telephone 01-847 1954 for an application form (24-hour answering service).

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Due to continued expansion our client, a worldwide leader in high technology development in micro processors, based in Wiltshire, with sales currently in Wiltshire, with sales in excess of $1.2 billion worldwide seeks to recruit to further enhance their growth investment.

UK Financial Manager c £17,000+

You will be a young, commercially awara, qualified accountant, able to sustain the pressure of working to strict timetables in a multinational sales/marketing environment, where you will be responsible for tha entire financial accounting function for both the home and oversaas markets.

Reporting to the European Controller, your role will include budget and planning activity for all site functions — tax and statutory duties, warehouse and inventory control. Experience of US reporting is essential, as is full knowledge of UK and US GAAP Regulations.

Opportunities for career progression are excellent for those showing initiative and flair with a dedication to making a significant contribution not only to the company's future success but also their own.

Uaual large company benefits apply including assistance with relocation.

Please telephone, or write briefly for personal history form quoting ref: BB47346, to Andrew Fowler, Regional Manager

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Recruitment Selection & Search
2 Eton Court, Eton, Windsor, Berkshire.
Telephone: (07535) 54256

FINANCIAL ACCOUNTANT

c.£16,000 ACA/ACCA

Cromwell Hospital is one of the foremost acute care hospitals in the private sector. Since opening in 1981, we have gained an outstanding reputation for clinical excellence and total patient care.
We wish to appoint a Financial Accountant, ACA/ACCA, to take responsibility for the effective management of our accounts office.
The task is to lead a team of 25 people covering all financial aspects of the hospital's activities and, in liaison with the Management Accountant, to continue the development of computer-based systems.
You must combine demonstrable man-management skills with a background in a commercial environment.
A knowledge of computer-based systems is paramount.
The salary offered will reflect your qualifications and experience. Benefits are in line with the best in the private sector and include free medical insurance.
Please write with your cv to
Sue Montgomery, Personnel Manager, Cromwell Hospital, Cromwell Road, London SW5 0TU.

CROMWELL HOSPITAL

Financial Controller

London
£30,000 + share options

Our client is a major retailer in the top 200 UK companies. They seek a Financial Controller to assume overall responsibility for finance and accounting. Starting salary indicator £30,000 plus car, purchase discounts, share options and other benefits. Preferred age 30–45.

Candidates will be qualified accountants with proven track records in heading up the entire accounting function of large companies. The ability to motivate staff, develop systems and control costs is essential. Prospects of advancement are excellent.

For full job description write in confidence to W T Agar at JC&P, Selection Consultants, 104 Marylebone Lane, London W1M 5FU, showing clearly how you meet our client's requirements, quoting 2188/FT. Both men and women may apply.

JC&P
John Courtis and Partners

Chief Accountant

c.£14,500

As a large international company and leaders in the field of joint sealants and waterproofing materials, Expandite can offer opportunities for development to a young and ambitious qualified Accountant (ACA, ACCA or ACMA).

Working from our head office in Park Royal and reporting to the Financial Director, you will be responsible for the complete accounts function and will control a team of 25.

In addition to a minimum 5 years' commercial/industrial experience, it is essential that you have strong managerial skills.

Company benefits include group pension scheme, 22 days annual holiday, BUPA, subsidised canteen and sports and social club.

Please apply in writing, giving full career details to:- Personnel Manager, Expandite Limited (A Burmah Company), 1/9 Chase Road, London NW10 6PS. Telephone: 01-965 8877, ext. 2221.

expandite

FINANCIAL ANALYST

£13,000 - £15,000 p.a.

We are seeking a recently-qualified accountant with computer systems experience and analytical flair to join a small specialist team at Corporate Headquarters. Candidates should be aged between 25-30 years and an MBA qualification would be an advantage.

The position, based at Ilford, Essex, reports to the Group Financial Analysis Manager and provides an excellent opportunity to gain comprehensive experience in management control techniques used within a major international electronics company. The successful applicant can expect to be promoted to a line role within an operating subsidiary after two to three years.

A competitive salary will be offered together with benefits which include five weeks holiday and private medical insurance.

Applications should be sent to:
Miss C. C. Peover,
Personnel Manager,
Group Personnel Services,
The Plessey Company plc,
2/60, Vicarage Lane,
Ilford, Essex.
Telephone: 01-478 3040 ext. 2755

PLESSEY

GROUP ACCOUNTANT FINANCIAL DIRECTOR DESIGNATE

c £15,000 pa, plus car — West London

Private UK group of companies, with a gross turnover of over £12m, being market leaders in specialist forwarding services, require a qualified accountant (28-35) with a proven achievement in a controller function.

Credit management is a critical profit factor, and computer systems form an integral part of the group's operations.

The Group Accountant will be an important member of a young, enthusiastic management team.

Send full CV to:
Stella Davey, Personnel Manager
PERISHABLE TRANSPORT HOLDINGS LTD.
8 Steyning Way, Green Lane, Hounslow, Middlesex
Tel. No.: 01-570 3359

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ATTRACTIVE SALARIES + COMPANY CAR

Florstyle (UK) a subsidiary of the successful Marley Floors Company was established in 1982 and is already a potent force in the highly competitive contract flooring business, and following a recent reorganisation is now poised to exploit further the exciting prospects for growth in this market.

These are new appointments at our Regional Administration Centres in Lichfield and Durham and candidates must already live in these areas or be prepared to move there.

For young (probably mid/late 20's) qualified accountants, men or women, with some 3 years' industrial/commercial experience under their belt, these are genuine 'green-field' opportunities. You'll be given plenty of responsibility, not only for the normal preparation of management and trading accounts and all that goes with them but also for the general running and administration of your particular centre. The accounting systems are partially computerised and you will be expected to contribute to future systems development according to the changing needs of the business. The Lichfield position will involve an initial 4 months spell at our head office in Tring, Herts, for which all expenses will be paid.

Starting salaries will be attractive — we always reward talent and we will provide a car and other benefits normally expected from a successful international group. Removal help will be given where appropriate.

If you feel you can meet the challenge offered by these career opportunities please write, in confidence, with age, relevant career details, qualifications and salary progression (clearly stating which location interests you), to: The Head of Personnel, Marley plc, P.O. Box 32, Sevenoaks, Kent.

Ground floor opportunities in every sense for two Young Management Accountants

Five Outstanding Financial Appointments

GROUP FINANCE DIRECTOR to £40,000 etc.
Established Public Group with a successful trading record and diverse interests in manufacturing, retailing and distribution seeks to appoint a Group Finance Director who will have the stature and experience to control the total finance function. The Head Office is conveniently situated for most major Northern cities. *Ref: 84826 FT*

FINANCIAL DIRECTOR (West Yorkshire) to £30,000 etc.
Autonomous subsidiary of growth orientated plc seeks a strong Finance Director who is capable of strengthening financial and administrative controls within a highly sophisticated/computerised environment. The company has diverse interests in marketing, distribution and retailing and seeks an individual who is interested in commercial aspects of business management. *Ref: 84842 FT*

FINANCIAL DIRECTOR (West Yorkshire) c £28,000 etc.
Public Group with considerable interests in retail and property management seeks an outstanding individual with a broad financial/management background. Candidates should be able to manage change and have some previous experience in a similar industrial environment. *Ref: 84049 FT*

FINANCIAL DIRECTOR (West Yorkshire) c £25,000 etc.
A highly experienced accountant is sought to join a profitable manufacturing company within a successful and growing Public Group. In addition to a sound accounting and commercial background, the successful candidate will be expected to play a major role in the marketing and operations of the Company. *Ref: 84824 FT*

GROUP FINANCIAL CONTROLLER (Humberside) c £22,000 etc.
A well established and successful group seeks a qualified accountant to accept a wide range of responsibility within a Head Office. Attention to detail, the ability to interpret financial and commercial information and make recommendations will be essential pre-requisites. A knowledge of current taxation would be an added advantage. *Ref: 84843 FT*

CANDIDATES FOR THE ABOVE POSITIONS MUST HOLD A RECOGNISED ACCOUNTING QUALIFICATION (ACA, ACMA, ACCA) AND HAVE HAD A SUCCESSFUL CAREER TO DATE. AGE PARAMETERS FOR EACH APPOINTMENT ARE 30 TO 45. QUALIFIED ACCOUNTANTS SEEKING A GENUINE CAREER MOVE WITHIN NORTHERN ENGLAND ARE WELCOME TO MAKE A GENERAL APPLICATION.

Apply in the first instance to Brian R. Daniels, Daniels Bates Partnership, Josephs Well, Hanover Walk, Park Lane, Leeds LS3 1AB. Tel: (0532) 461671 (5 lines).

Daniels Bates Partnership
PROFESSIONAL RECRUITMENT

Treasurer

£25,000+

The British National Oil Corporation is one of the world's largest oil traders, marketing over half the total crude oil production from the UK sector of the North Sea. The Corporation also trades substantial volumes of LPG and hydrocarbon products.

Reporting to the Finance Director, the Treasurer is responsible for the whole of the Corporation's cash and investment management, together with other key aspects of the finance function including accounting policies and the annual report and accounts. Annual cash turnover is around £8 billion, with a significant proportion involving foreign exchange dealing. Investments are in the range £30 - £60 million. Additional responsibilities include corporate taxation and credit evaluation.

The successful candidate will be a qualified accountant aged 30 or upwards with experience of corporate treasury work. Oil industry experience, whilst desirable, is not essential. Additional skills include commercial flair and well-developed communication ability.

A salary in excess of £25,000 is offered together with a full range of benefits including car, medical insurance and a first rate pension scheme.

If your qualifications and experience match the requirements for this position send a detailed curriculum vitae to the Personnel Manager, The British National Oil Corporation, 29 Bolton Street, London, W1Y 8BN, quoting Ref. No. T/BMcA/FT or alternatively telephone 01-408 1840, ext. 3253 for an application form.

BNOC
The British National Oil Corporation

ACCOUNTANCY APPOINTMENTS
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TECHNOLOGY

EDITED BY ALAN CANE

MITTERRAND GOVERNMENT DECIDES TO BACK SUN POWER

France basks in solar revival

BY PAUL BETTS IN PARIS

SOLAR ENERGY is enjoying a big revival in France. The Socialist Government is backing a FFr 1.4bn five-year investment programme in photovoltaic technology to turn the country into one of the world leaders in the conversion of sunlight into electricity.

Major French enterprises in the public and private sector are working in relative harmony to create an integrated French photovoltaic industry. At the top of the vertical chain is the French nationalised chemicals company, Rhone Poulenc, which like other major international chemical groups, is going into the business of manufacturing silicon both for the electronics and for the solar industry.

Rhone Poulenc is due to give the go-ahead in the next two months to the construction of a silicon manufacturing facility in the Rhone-Alpes region with initial annual production of only 100 tonnes but rising eventually to 1,000 tonnes a year.

The main French manufacturers of photovoltaic equipment and systems are Photowatt, the joint subsidiary of the French nationalised CGE electronics and communications conglomerate and of the state-controlled Elf Aquitaine oil group, and the private Leroy-Somer company.

Leroy-Somer's photovoltaic subsidiaries have concentrated especially on solar pump systems while Photowatt, which has been entrusted to play the central role in this developing French industrial sector, has been active in adapting solar technology for telecommunications, communications and the construction industries among other fields.

To strengthen its position in an industry dominated by the Americans in the field of crystalline based silicon technology and by the Japanese in the case of amorphous or non-crystalline silicon technology, Photowatt has just signed a technology collaboration agreement with Fuji Electric of Japan. This agreement will give Fuji access to Photowatt's developments in crystalline technology while giving the French company access to Fuji's amorphous technology.

As a further sign of the growing interest of photovoltaic technology in France, an American company, Chronar Corporation, has also recently decided to build a plant at Lens in northern France to manufacture photovoltaic arrays using an amorphous silicon process. The American project is regarded as somewhat ambitious and based on perhaps over optimistic assumptions on the future growth of the industry because it calls for a plant employing as many as 300 people over the next five years.

However, France currently has strong hopes for this industry. "We think it could become a $10bn a year industry worldwide by 1995-2000 and France could take about $1bn of this annual business in photovoltaic arrays, panels, generators and batteries," says M Serge Bielikoff, a joint managing director of Photowatt.

France already accounts for about 10 per cent of the fledgling commercial photovoltaic market for panels and batteries with sales of FFr 100m last year. Its target is to win 15 per cent of the world market by the end of the current FFr 1.4bn five-year French photovoltaic programme in 1988 with the Government directly supplying about FFr 480m over the five-year period.

Although the trend up to the late-1970s in France was to focus on solar energy thermal and thermodynamic applications for heating water or houses, there has subsequently been a marked shift towards photovoltaic technology. M Bielikoff says that the thermal applications of solar energy are more the business of architects and builders. On the other hand, the conversion of solar energy into electricity has broader industrial and technological applications.

At Elf for example, photovoltaic systems were already being used in the 1970s to operate radio communications on West African offshore oil rigs. M Bielikoff says that in certain cases, photovoltaics can provide the solution for microwave telecommunication systems in difficult environments. A case in point is the Gabon where virtually the entire country's microwave communication system is powered by photovoltaic arrays and generators.

Photowatt, which has developed solar powered televisions and been active in providing photoelectric systems for small African villages, military camps in the desert, and for one holiday village in Upper Volta, now has annual sales of about FFr 42m. Photovoltaic applications for the telecommunications market account for about 30 per cent of these total sales.

M Jacques Pavard, who until recently headed up Elf's UK operations but is now responsible, among other things, for the oil group's activities in the solar field, says the main challenge for the photovoltaic industry is to reduce the cost of solar-generated electricity.

The cost of a kilowatt hour of solar-generated electricity ranges between FFr 5 to FFr 20 depending on the location, according to M Bielikoff. This compares favourably with the kW/hr cost of a chemical battery or about FFr 200. But it is still much higher than the 30 centimes kW/hr cost of the average French electric utility power station. "But photovoltaics is already competitive in some cases with a diesel generator where the costs range between FFr 5 and FFr 10 per kW/hr," says the Photowatt executive. "Even if solar electricity is more expensive it is simpler to operate and run than a diesel generator," he argues. Amorphous silicon technology used by the Japanese for watches, calculators and other consumer objects is far cheaper than the crystalline silicon technology used by the French and the Americans. "But amorphous silicon does not last very long, does not like to be exposed in the open and is a weak producer of electricity," says M Bielikoff. However, if Fuji can develop a viable application of amorphous silicon for industrial scale solar projects, Photowatt will be able to take advantage of the Japanese technology under its newly-signed agreement.

At the same time, Photowatt is working on a new technique to try to cut the cost of crystalline silicon-produced solar electricity. Having already progressed from monocrystalline to polycrystalline silicon which reduces the high amount and costly waste of silicon used in the process, Photowatt is attempting to develop a so-called ribbon process whereby the modules, which constitute a solar panel, are dipped on a ribbon in a silicon bath. If this process works, it would further reduce the silicon wastage of the current crystalline techniques.

Costs are also expected to be reduced by the imminent production of less expensive polycrystalline silicon for the solar industry by the new Rhone-Poulenc facility. M Bielikoff says solar electricity costs have already been coming down sharply in the past eight years from about $30 a watt to about $6-$7 a watt last year. "With cheaper silicon, better techniques we could be down to $4 a watt by 1986 and $2.5 a watt by 1990."

In Nigeria, solar panels are used to provide electricity to operate local television sets.

EXPERT SYSTEMS NEED LESS DAUNTING IMAGE

UK is 'handicapped by fear'

WHO'S AFRAID of "expert systems," the controversial computer software which seems to reason like a human being? Nobody need be, a new survey argues, going on to point out that companies can easily undertake modest projects which give real gains in productivity.

"They can, with care, be built by self-taught teams with little risk and at relatively low cost to achieve limited aims of a kind seldom obtained from conventional methods," the survey claims.

An example is "Tracker," developed by two young British Telecom engineers to diagnose faults in power supplies for telephone exchanges.

Expert systems depend on a store of expert information held in a computer's memory together with a set of rules through which the computer can seem to give reasoned answers to questions asked of it.

The Tracker programme has only 95 such rules and runs on popular personal computers using the CP/M operating system.

"The rules were established by analysts of some 12 hours of loosely-structured dialogue with two experienced electronics troubleshooters," the survey claims.

"The resulting system supports a good simulation of human expert diagnosis and advises on a range of electronic, visual and other tests."

The survey was prepared for the Alvey directorate (which runs a UK information technology programme) by Alex d'Agapeyeff, head of Consultants in Information Technology and a noted enthusiast for expert systems.

He said this week that these systems had a fearsome reputation because they had grown out of academic research: "Academics build difficult systems because they are trying to do something new. It was a welcome surprise that a simple approach could give useful results."

Mr d'Agapeyeff believes the view of expert systems as difficult and daunting is handicapping the UK's effort in information technology: "The evidence that simpler expert systems are already practical sharpens and appreciation of the Japanese Fifth Generation (reasoning) Computer System project and the expectation of early spin-offs from that project for suppliers and users of computers."

He argues that a company with modest ambitions can build a useful system.

How to get started? Join the expert systems group of the British Computer Society, Mr d'Agapeyeff (a past president) advises and go to a few conferences. Above all, find an "uncle" figure or informed adviser to help in the early stages.

SOFTWARE

Beating the pirates

SOFTWARE PIRACY like the video variety is a notoriously difficult thing to prevent. The Software Registry company hopes that it will act as a deterrent by providing an independent date verification and administration system.

The idea is to help program writers maintain their copyright. The cost of a five-year registration, including some insurance, is £75.75 per program. More details from Software Registry in London on 01-430 0798 or 01-242 3119.

FORD PRODUCES NOVEL ENGINE AT DAGENHAM PLANT

Diesels injected with a cleaner image

By Kenneth Gooding Motor Industry Correspondent

FORD HAS designed and developed what it claims is the world's first naturally aspirated direct - injection high - speed diesel engine. The engine is already in volume production at a purpose-built plant at Dagenham in Britain and is launched throughout Europe today in Ford's Transit van.

Ford says it spent about $34m to develop the new DI diesel, a further $98m has been absorbed by rebuilding and re-equipping more than 93,000 sq metres of the Dagenham, UK, plant to assemble the engine. An additional $26m was spent on re-tooling and improving other Ford facilities — so the total programme cost $158m.

The benefits of direct injection diesel engines are well-established. They are up to 15 per cent more efficient, start more easily and are cleaner than those with indirect injection.

But until now direct injection on a production engine has been achieved only on turbo-charged or large displacement diesel engines whose operating speeds do not exceed 3,000 rpm. (Perkins is understood to have done pre-production work on high-speed DI engines but so far has not put one into production.)

Because DI diesels have been limited to about 3,000 rpm maximum speed their use in light commercial vehicles has been inappropriate.

So Ford engineers set out to design a DI engine which, while embodying the recognised advantage of DI also matched IDI rated speeds and met IDI standards of noise and emissions.

They were looking for a DI engine that worked well from about 1,000 rpm to 4,000 rpm or more.

And after five years, during which 154 prototype engines have been constructed, 110,000 hours (or 12.5 continuous years) have been spent on dynamometer testing and a further 700,000 km covered in on-the-road durability trials, Ford has launched a 2.5 litre DI diesel which develops its maximum power at 4,000 rpm.

The engine is a naturally aspirated overhead valve, four cylinder, DI diesel using a parent bore cast iron block. It is installed in the Transit at 22.5 degrees from the vertical.

The slightly over-square engine has a bore of 93.67 mm giving a swept volume of 2,496 cc.

Although it is similar in concept to the 2.36 litre York indirect injection diesel it replaces, Ford says it is wholly new. Only two parts are carried over from the old engine—the pushrods that operate the overhead valves and the camshaft rear cover plate.

Ford claims Transit operators can realise fuel savings of up to 24 per cent on one-tonne payload, short wheelbase Transits and at least 20 per cent on the heavier long wheelbase models compared with the indirect injection Ford York diesel, but with no sacrifice in journey times.

This differential is similar to that which indirect injection diesels currently have over petrol engines and makes the Ford unit "best in class" even though some competitors use smaller diesels, according to the manufacturer.

Apart from improved fuel consumption, the engine power output on the DI diesel increases from 62 to 68 PS and torque improves from 134 to 143 Nm, says Ford, with the result that "road performance is noticeably better."

The company also claims a 50 per cent increase in engine life expectancy to 160,000 km or 5½ years of average European operation before a major "out of vehicle" overhaul is necessary.

Routine service costs for the new engine have been reduced by around 30 per cent from those of its predecessor and service intervals extended to 10,000 km, says Ford. The engine's fuel filter has only to be renewed every 40,000 km while valves require adjustment at 20,000 km intervals and the engine oil changed at 10,000 km intervals.

Accountancy Appointments

APPOINTMENTS WANTED

THE MANAGEMENT PAGE: Marketing

EDITED BY CHRISTOPHER LORENZ

Advertising

AD HOC

BY FEONA McEWAN

WHATEVER the growing convergences, Japan and the West continue to pursue their idiosyncratic approaches to business. Advertising is no exception.

To the Japanese, it appears, European aod American business executives are "too dependent on research, analysis and discussion" in their overall approach to advertising. "They start with a concept of the product and then build up a creative package round it." Thus declared Hideo Ishikawa, personal assistant to the president of Hakuhodo, Japan's second largest agency, during a flying visit to London after addressing the 12th World Industrial Advertising Congress in Paris.

By contrast, says Isbikawa, the Japanese prize intuition, their heritage and their experience as qualities to solve marketing problems—not surprising, perhaps, in ao agency that values creative taleot above all else. Some 550 of its 2,700 employees toil under the creative banner.

The main coocessioo in Japan to research. it seems, is test marketing; but this must be on instant success in view of the constant threat of adoption by competitors, who monitor every move of their rival's.

"Never underestimate your competitor," warns Ishikawa. "In the hectic pace of the Japanese market place, no mistake is permitted. there has to be a single mindedness of approach or you will find that your many competitors will have taken advantage of your mistake and made much of it. A good product entering the Japanese marketplace will have many competitors, who, aensing that the product has a good chance of becoming a winner, will imitate the oroduct to gain a market share. That is why no one can afford to make any mistakes. Those wbo survive have spent well and wisely and have a stronger distribution than the competitors."

Japan is a notoriously tough market for outsiders to establish a presence in, though many international American and British agencies have links with leading Japanese agencies in a bid to service international clients. SSC&B Lintas, for instance, works on this basis with Hakuhodo in New York, London and Europe. However, 97 per cent of Hakubodo's business is domestic. Though Japanese agencies are beginning to test tha waters of overseas markets, "buds are still not in bloom," saya Ishikawa.

That said, tbe home market in Japan is on another scale to the UK. Hakubodo's billings of $1bn a year are about tbree times tbose of the UKs biggest agency, Saatchi and Saatchi. Its graduate intake of some 90 people a year is not far off the total comparable intake of the entire UK advertising scene. And when It comes to clients, as Tim Denehy of Lintas put it, it's easier to mention those they don't handle.

Hideo Ishikawa

International clients include General Foods, Nissan, Toyota, McDonalds, Budweiser, Bristol Myers, Rank Xerox, Kirin-Seagram.

Ishikawa's advice to UK businessmeo wishing to enter the Japanese market is to "thiok television." In terms of media expeoditure TV in Japan, with a 45.2 per cent share, outstrips newspapers' 40.6 per cent; the respective UK figures are 28.4 and 58.3 per cent.

The Japaoese, he says, are avid viewers, from 5.30 am to 12.30 am. So "television is the most effective way of reaching your market."

Fifteen second spot commercials, be suggests, are an economical bard sell way of reacbing an audience, althougb more sophisticated advertisers would often use a one minute.

To such a monolithic organisation full service means just that. "We believe we can do everytbing," says Iahikawa, from product development to sponsorahip. Meetings with clients are daily, if not more often, in a union tbat puts a distinctly oriental empbasis on loyalty

Parting tip to visiting European businessmen. Learn Japanese. "Even passably, It helps tremendously," he said in quite perfect English.

THE RISE and rise of free publications continues apace. Now the three-year-old Association of Free Newspapers, which represents 260 titles distributing more than 12m copies, is organising its selling procedures in a way that makes the genre more accessible to advertisers.

Called the Dealer Aid Information Service, its aim, says the AFN, is to tap a £20m market from which the free press "has been largely excluded." The service will follow similar lines to the highly successful Regional Newspaper Advertising Bureau, which in its four-year existence has harnessed the disparate elements of the provincial press into a simpler, more efficient vehicle for advertisers. The RNAB offers a centralised booking service, a sophisticated database for planning of regional campaigns, and has initiated a co-partnership scheme wbereby manufacturer and retailer are brought together through its salesforce, in jointly funded advertisements.

In its continuing bid to set its bouse in order, the AFN is also pursuing the flourishing free magazine sector of the market, so far undefined in any formal way. It has identified some 150 titles of what it calls free specialist publications, embracing business to business and A4 size glossies. They all share the common link of the geographical nature of their distribution.

"It is a bard market to identify," saya Ian Locks of the AFN. "It's expanding so fast. About 20 have started up on the past month."

So why the need to include them in? "Because they are in a very similar market to our own. The AFN was formed to bring credibility to free local newspapers througb establishing high trading standards. We felt this credibility could he undermined by other types of publication in the same market. Under our auspices they will give added strength in matters of industry or governmental concern."

LEADING industrial luminaries and the Conservative Party heirarchy have called for the need for open communications, both internal and external, in the drive for the UK to compete successfully in world markets.

"That success is dependent on the ability to communicate. Customers, suppliers, governments, shareholders, the media and of course employees are all more likely to give you support if they know what you are doing and trust your company, and if you are aoon to be an open rather than a closed or secretive organisation" says John Harvey-Jones, chairman of ICI, in the latest Communications Forum newsletters from corporste communications specialists McAvoy Wreford.

British management must radically alter its attitude to communications said John Selwyn Gnmmer, Minister of State for Employment and Conservative Party chairman, in an address to the joint CBI—Public Relations Consultants Association conference. One of the major problems bedevilling British business, be pointed out was the "unacceptability" of profit. "Compared with the U.S., which understands abont profit, British industrialists are very bad at conveying what business is all about," be said, atressing that the solution to this weakness starts with internal communications.

Industry cbiefa ahould, he continued, speak out at times of success, not only under duress. "We must not only defend but attack. We must go out and say that free enterprise, dependent on mass markets, offers better living standards, that the success of business is vital for the health of the country."

A recent MORI survey among captains of industry (chairmen, managing directors and directors) of 200 British companies showed that 88 per cent felt their corporate image needed improving, specifically their existing PR and communications with employees and customers.

Characteristically forthright comments came from Clive Thornton, new chairman of the Mirror Group, who during his time at Abbey National Building Society made a habit of announcing corporate strategy through the press. "I umasbamedly used the media to make public promises," he said, "to make things happen in the company. Large bureaucratic organisations, especially in the financial sector, find it difficult to absorb change and accept new directions quickly enough."

Corporate image, in his book, is a job for the board not for external agencies with competing claims on their services. A good public reputation, he claims, should not be regarded as something intangible "to be developed or abandoned depending on financial progress." It can enable some industries and companies to resist political pressures or influence political developments in their favour.

Middle management comes in the firing line. "Their sensitivity and inbuilt fear of change mean that communication from the top may be stifled at this level.

"There'a an absence of flair and judgment in British management," he sald. "We breed a corporate man wbo plays safe, eyes and ears open but mouth shut."

*

CO-OPERATIVE advertising, the sharing of costs between two or more advertisers in a joint ad, is not a popular approach in the competitive world of commerce.

Which makes the above ad, jointly footed (if you'll pardon the pun) by a trio of disparate industrial companies, the more unusual. TH Dixon (machinery manufacturers), Martonair (pneumatic control equipment) and Macreadys (steel stockholders) bave little more in common with each other than that they supply one another and that they share the same ad agency, Hyde and Partners of London SW1.

The agency seized the opportunity to take a more creative approach to these traditionally humdrum products and more importantly, spotted the chance for its clients to move together into fringe areas of advertising, which on their own, they could not have justified. Each paid one-third of the costs.

The Press ad has appeared in the monthly journals Chartered Mechanical Engineer, Engineering, Purchasing and the weekly journal, Technology.

The triumvirate has been pleasantly surprised by the response to the ad; a number of potential major customers have appeared who had hitherto been ignorant of their existence.

Banking in Spain

A novel financial goal

EVERY time Diego Maradona, the Argentinian World Cup star scores a goal for his Spanish clnb, things look up at Banca Mas Sardá.

Tha small Barcelona-based bank, not long ago on the brink of collapse, bas found a novel way of facing up to big-bank competition. Since January it has been operating a special division for Fútbol Club Barcelona, a bank-within-a-bank geared exclusively to tha club and its fans.

"We bad to do something different in banking," says Pedro Fontana, the young managing director appointed last summer by Banco de Bilbao, which took over the ailing Mas Sardá two years ago.

The unique new venture, wbich bas already collected about £1.5m in customers' deposits, is better known by its unofficial title in Catalan, Banc del Barça. Barça is the name universally used to refer to the club, which possesses not only the soccer world's most expensive player but also one of the largest followings in the game.

Diego Maradona: local bank gets a lift whenever he scores for Barcelona

Fontana, wbose father was a club official, did not have to look far for his captive market.

"What other club has 108,000 members?" be asks. Soccer is Barcelona'a ruling obsession. The city bas no fewer than three sports dailies—and their Monday sales are determined by wbether the club has won or lost at the weekend.

For Banca Mas Sardá, an old-established, rather snooty family bank which used to be mainly involved in wholesale banking, the new initiative has brought a radical change in clientele.

Branches provide special counters and services, issuing cheque and savings books decked out in the club's blue-and-red colours, with the club's crest and background lettering reading "Barçabarçabarça . . ."

Clients get no preferential terms for loans, but promotional deals are offered fur deposits. While other Spanish banks offer bikes or video recorders in lieu of high interest, clnb members who deposit Pta 25,000 (£115) at 2.5 per cent interest can take away a foothall signed by Maradona and his team-mates.

"It's an Adidas ball, so it'a expensive," Fontana adds.

They can also buy their match tickets and pay their subs through the bank.

For Mas Sardá it is a cheap form of promotion. Part of the deal is that it gets advertising at the club'a Camp Nou stadium at cost price. In exchange for the club's support and the use of its image it is committed to paying FC Barcelona Pta 50m a year for the next four years for scholarships and other uses, and more after that depending on the volume of business.

The original idea came a year and a half ago from the club chairman, Josep Lluis Núñez, an enterprising man who wiped off Barça's bank debts by persuading members to pay their fees in advance.

The club, which registered a Pta 300m profit last year, holds the No. 1 account at "Banc del Barça." Players and other employees are paid through the bank.

When the new division opened on January 17, Fontana says, there were already 1,500 customers. Two months later there were 5,500 and he reckons on 15-20,000 in the first year. With deposits averaging about Pta 60,000, he sees his job now as getting these clients' other savings into the bank.

Access to "Banc del Barça" is being extended beyond the club's membership to a much wider category of fans. A new associata status has been created, with a card entitling supporters to a special ticket price, obtainable for free at the bank, against a Pta 50,000 deposit—along with 2.5 per cent interest and the autographed ball.

Further projects include the use of plastic bank cards to gain entry to the atadium, and a secondary market in members' subscription seats. These reserved seats change hands at Pta 300,000 to Pta 500,000. Fontana's idea is thot they could be turned to profit when holders were not using them.

For the bank, Fontana sees tbe whole scheme as bringing a triple benefit: promoting its commercial image, creating direct business among fans, and generating indirect business in the region.

"Suppose," be says, "we have been trying to get into a company for many years and haven't been able to do so. Suppose the financial manager of that company is a soccer fan, and a Barcelona fan. . ."

Banca Mas Sardá is emerging from beavy losses. According to Fontana, it has been making an operating profit since last September, although for the time being earnings will be eaten up by write-offs. Since Banco de Bilbao took over it has cut staff from 850 to 750 while increasing the number of branches from 36 to over 50. The deposit base bas gone up more than 150 per cent.

In a country notorious for its surplus of banks, the fight for custom is tough. With ita new venture, Mas Sardá expected no problem getting the accounts of Barca's 300-odd supporters' clubs—there is even one in Moscow—but ran into a hitch at Manresa, 40 miles from Barcelona. It turned out the supporters' club chairman was local manager of the strait-laced Banco Central, Spain's number one bank.

Fontana'a belief in the project is inseparable from his belief in Barça. Might not some rival succeed in poaching customers by setting up a similar banking operation for Barcelona's other First Division side, Español?

"Never!" comes the reply.

The only factor preventing the new division from doing even better, be has to admit, is that Barca are not winning more matches. Manchester United did a bit of no good to this Spanish contribution to banking innovation by knocking them out of the European Cup-Winner's Cup on March 21.

David White

FINANCIAL TIMES
Thursday April 26 1984

The revival that never happened to Caribbean bauxite, Page 48

WALL STREET

Demand is again dampened

THE RALLY in Wall Street financial markets faded away yesterday, when retail investors refused to pursue the higher prices achieved on technical covering towards the previous close. Short-term interest rates remained firm, with the federal funds rate turning higher once again, *writes Terry Byland in New York.*

The stock market turned mixed, with leading issues inclining lower and by 3.30pm, the Dow Jones industrial average was 0.53 down at 1,162.37.

The federal funds rate moved up to 10½ per cent in early dealings, damping down optimism in the bond market. At mid-morning, with the funds rate still high at 10⅝ per cent, the Federal Reserve intervened with overnight system repurchase arrangements to help liquidity.

System repurchases are sometimes a more positive clue to Fed views than customer repurchases, and the bond market turned firmer in response. But the Fed's move was regarded as a response to technical pressures in the market rather than any indication of policy.

The Fed has been generous with supply to the banking system during the tax season and its decision to limit yesterday's repurchases to overnight may indicate its belief that pressures are now easing.

The ability of the stock market to resist again downward pressures reinforced optimism among some analysts that it has successfully established a new trading range, with a Dow average of 1,130 appearing to be a support level.

A wide range of leading stocks managed to record small gains: IBM at $111⅝ added $⅝; General Motors at $65⅝ put on $⅝; General Electric at $55⅝, added $⅛, and Texas Instruments at $138⅜ gained $1.

Dow Chemical edged up $⅛ to $32 on consideration of its results, and Monsanto at $94⅞ gained $1¼, also after announcing first-quarter results. But the reporting season brought some mixed changes among pharmaceutical issues. Upjohn at $69⅜ on $¼ while awaiting first-quarter figures and Warner-Lambert, the hospital equipment producer, dropped $2⅜ to $31⅞ after several analysts lowered profit estimates because of delays in introducing Lopid, a heart drug, and other new products.

Coopervision, the eye care group, jumped $2 to $24¼ in heavy trading, close behind the projected offer from Nestlé of Switzerland. Other active issues included Colgate-Palmolive, $1⅛ higher at $25⅝ on the expectation that strong consumer spending will boost profits. Carter Hawley Hale was $1⅛ off at $29⅞ despite the new approach from The Limited of Ohio which has increased its offer to $35 a share.

Good results from the steel industry, coupled with new rationalisation moves in the form of the proposed deal between National Intergroup and Nippon Kokan, helped LTV up $⅛ to $18⅜.

Among oil issues, Exxon remained steady after increasing its dividend but Occidental added $⅛ to $30⅝. Still awaiting a further move from Mr David Murdock, while Mesa Petroleum, at $17⅝, shed $⅛.

Other active issues were Dun and Bradstreet, $1⅛ lower at $59 after its results, and J.C. Penney, $⅞ higher at $50⅝.

The credit markets were subdued by a fresh rise in the federal funds rate to 10⅝ per cent despite the Fed's overnight repurchase help. Money market rates showed little change but Treasury bill discounts edged up, the three-month adding two basis points at 9.63 per cent and the six-month four basis points to 9.78 per cent.

Bonds were overshadowed by the prospects for the auction of two-year Treasury notes to be held late in the session. In the pre-issue market, the notes yielded 11.2 per cent, a shade higher than the existing issue.

The key long bond of 2013 at 94 7/32 showed a net gain of 1/32 in lacklustre trading.

Later, though, with funds at 10½ per cent, the authorities returned with an offer to buy $500m of bills for a customer.

The closing report on Wall Street and updated U.S. market monitors were not available because of continuing industrial action at the Financial Times' printers in Frankfurt.

TOKYO

Surge has speculatives as focus

SPURRED by the overnight climb on Wall Street, Tokyo equity prices rallied strongly yesterday, with securities companies actively promoting trading, *writes Shigeo Nishiwaki of Jiji Press.*

But buying interest centred on speculative non-ferrous metal, pharmaceutical and large-asset stocks, reflecting persistent investor worries about the fate of prices.

The Nikkei-Dow market average, which lost 36.96 on Tuesday, closed up 104.52 at 10,866.34, on volume of 497.16m shares, a sizeable increase from the previous day's 271.67m. Advances outpaced declines 420 to 309, with 145 issues unchanged.

Although prices rebounded strongly on the strength of expanded transactions, many analysts discounted the possibility of a sustained upsurge, in view of such continuing unfavourable factors as selling by non-residents and an increased buying balance on margin trading.

Foreign selling orders placed with four major securities companies in early trade amounted to 25m shares as compared with buying orders for 16m.

Investors busily sought incentive-backed issues and sold them at higher levels to take short-term profit.

Mitsubishi Oil advanced Y58 at one point after reports that the Kuwaiti Government planned to take over the 50 per cent of its total outstanding shares held by Getty Oil of the U.S., but eased later to end at Y590, up Y35.

Nippon Kokan also became popular after an announcement that it would acquire a half stake in National Steel of the U.S., gaining Y5 to Y149.

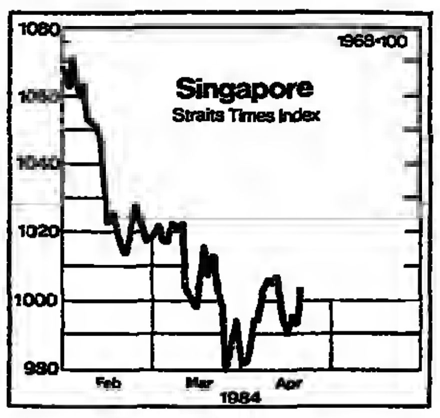
Some non-ferrous metals gained ground on renewed investor interest over gold discoveries: Sumitomo Metal Mining firmed Y90 to Y1,850 and Mitsui Mining Y37 to Y599.

Dainippon Pharmaceutical advanced Y210 to Y4,400 and Asahi Chemical Y20 to Y549 on revived investor appraisal of their joint development of an anti-cancer drug. Asahi was volume leader on 22.7m shares.

Elsewhere, investors bought large-asset paper-pulp stocks and city banks, with Oji Paper rising Y23 to Y528, Sumitomo Bank Y30 to Y1,130 and Fuji Bank Y60 to Y1,080. Some regional banks also climbed steadily.

The bond market opened lower on the yen's overnight weakness against the dollar in New York, but bounced back to the previous day's levels, reflecting a slight rally in Singapore and other South-East Asian markets.

The yield on the 7.5 per cent 10-year government bonds due January 1993 rose to 7.14 per cent at one point, but closed unchanged from the previous day at 7.12 per cent.



SINGAPORE

HOPES of a renewed bull market on Wall Street heartened investors in Singapore and the Straits Times index jumped back across the 1,000 barrier with a rise of 11.11 to 1,004.38.

Most sectors showed gains, although property shares were mixed with City Development 5 cents higher at S$1.70 and Singapore Land 5 cents off at S$5.40.

Faber Merlin, the most active stock with 346,000 shares traded, gained 2 cents to S$1.84, while Promet, also heavily traded, eased 4 cents to S$4.32.

Elsewhere, Genting put on 10 cents to S$5.40, while Inchcape, Straits Trading and Times Publishing each gained 5 cents to S$2.93, S$5.85 and S$8.70 respectively.

Australian and Italian markets were closed yesterday for national holidays.

HONG KONG

SHORT-COVERING by local investors in Hong Kong pushed the Hang Seng index 12.70 higher to 1,082.72 as foreign participants adopted a wait-and-see stance following the weekend announcement by Britain on the colony's future and President Ronald Reagan's visit to Peking today.

The modest gains achieved in most sectors, however, were below the day's highs, with Cheung Kong finishing 10 cents ahead at HK$9.70, after HK$9.75, and China Light ending 20 cents stronger at HK$12.60.

LONDON

Advance resumes strongly

THE PRE-EASTER spell of uncertainty was broken in London with a strong revival in equities which took the FT Industrial Ordinary index 11.4 higher to 887.6 and the FT-SE 100 index 14.4 up to 1119.8.

Leading shares were prompted by Wall Street's performance late on Tuesday and advanced throughout the session on the strength of more encouraging U.S. economic data, part of which allayed fears of the economy overheating. Support was also derived from lower short-term interest rates, a broker loan rate reduction and a smaller than expected federal budget deficit for March.

Demand was highly selective and concentrated on sectors rather than individual stocks. Oils attracted good business in the wake of Exxon's impressive first-quarter profits. BP rose 7p to 512p while Lasmo was 10p stronger at 338p.

Engineering and brewery stocks enjoyed a relatively brisk trade, while retailer Marks and Spencer gained 9p to 253p ahead of its preliminary statement.

In banks, Midland advanced 10p to 390p while Royal Bank of Scotland held a 6p rise to 220p.

Early demand for gilts was aroused by the better trend overnight in U.S. bonds. Longs soon rose ½ and maintained the firm tone later despite a dwindling interest, while shorts managed improvements of ⅛. Selected index-linked issues responded to small revived buying with gains extending to ¼.

Chief price changes, Page 38; Details, Page 39; Share information service, Pages 40–41.

SOUTH AFRICA

THE STABLE bullion price left most Johannesburg gold shares little changed although a firmer bias became evident in industrials.

Driefontein managed a 25-cent rise to R48.75 with most other mines fluctuating between 5 and 15 cents either way.

Mining financials and diamond issues tended slightly easier with Anglo American 10 cents down at R24.90 and De Beers 5 cents weaker at R9.55.

Mixed industrials saw a 10-cent gain for Barlow Rand to R14.80.

Foreign demand for platinum stocks continued, pushing Rustenburg 10 cents higher to R15.25 and Impala 20 cents ahead to R20.50.

EUROPE

Response remains moderate

THE RESPONSE on the European bourses yesterday to New York's overnight vigour was one of encouragement but no great enthusiasm, repeating the now accustomed pattern of restraint in following transatlantic vacillations at a time of interest rate uncertainty.

Most centres emerged firm, but turnover remained quiet and few sharp upward movements were found.

An additional factor again holding **Frankfurt** back was the strategy of industrial disruption being planned by leading West German unions over their 35-hour week campaign. News of the strike ballots being called by IG Metall came after the close, and the Commerzbank index managed a 4.8 gain at 1,028.4.

Attention was also diverted by subscriptions for the Porsche offering – amid which Daimler Benz added DM 5 to DM 563.

Banks were a weak area, with Deutsche off DM 1 at DM 388.50 and Commerzbank just 30 pfg firmer at DM 177.50.

Domestic bonds were depressed by the dollar's rise, but some gains were seen and the Bundesbank was able to sell a token DM 900,000 of public paper.

Somewhat livelier **Paris** dealings produced a modest advance. The earmarking of FFr 4bn of state funds for a construction programme helped Bouygues FFr 8 higher at FFr 728 and Dumez FFr 21 up at FFr 749.

Creusot Loire, by contrast, fell FFr 2.20 to FFr 35 on the negative response to its state aid request.

Institutional buyers returned to **Amsterdam**, giving gains a two-to-one lead over declines. Banks and insurers showed ABN Fl 4 up at Fl 377 and Aegon Fl 1.70 ahead at Fl 127.

On the industrial side publisher Elsevier, its stock newly split, firmed 50 cents to Fl 87 while brewer Heineken added Fl 3 to Fl 130, drawing possible benefit from the kind weather. Royal Dutch was in demand as it bought in the U.S. Shell shares, rising Fl 1.70 to Fl 157.

Bonds were neglected but steady.

Cautious **Zurich** progress showed Nestlé SwFr 35 stronger at SwFr 5,235 amid its U.S. acquisition plans and ahead of its press presentation reporting a first quarter trading improvement.

Overnight levels were maintained by domestic bonds.

Demand was strong in **Brussels** for Petrofina, and it emerged BFr 30 better at BFr 7,980, but a better advance was accorded to Tessenderlo and Sofina, each BFr 90 higher at BFr 2,610 and BFr 6,100 respectively.

A weaker **Stockholm** tone developed as government budget projections envisaged a difficult task in keeping the economy on course for a narrower deficit and lower inflation. Dealers said, though, that much of the statement had been anticipated and accordingly discounted in advance.

Skandia, taking a stake in the London brokerage business, slipped SKr 6 to SKr 385.

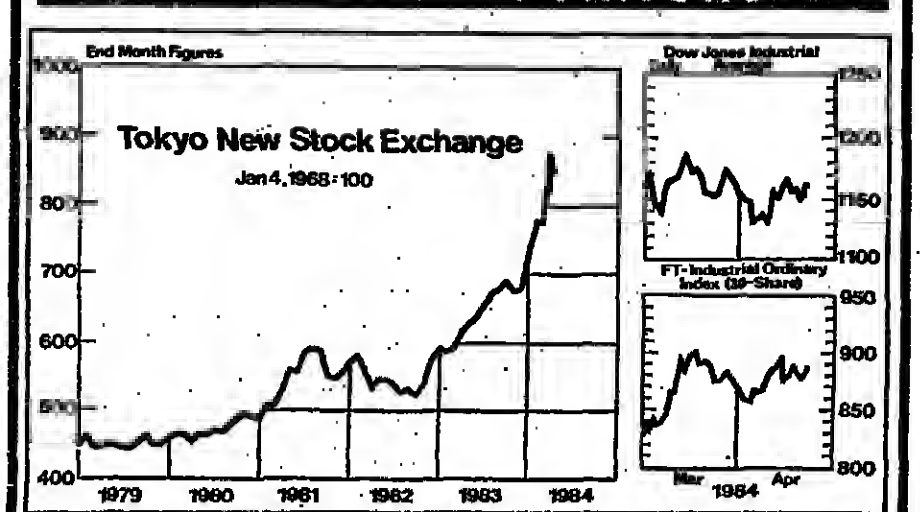
Madrid again featured weakness among electrical utilities on plans for dividend cuts throughout the industry.

CANADA

STRONG gains in Toronto gold shares helped offset a decline in non-resource stocks. Oil and gas related issues continued to move ahead while metals and minings extended their recent weakness.

Utilities proved to be the weak spot in Montreal while industrials reversed the uncertainty of the previous session.

KEY MARKET MONITORS



STOCK MARKET INDICES

NEW YORK	April 25	Previous	Year ago
DJ Industrials	1162.37*	1162.90	1187.21
DJ Transport	495.27*	497.22	518.82
DJ Utilities	124.90*	125.92	126.02
S&P Composite	158.21*	158.07	158.81
LONDON			
FT Ind Ord	887.6	876.2	699.0
FT-SE 100	1119.8	1105.4	940.4
FT-A All-share	527.79	522.44	441.51
FT-A 500	573.96	567.9	480.73
FT Gold mines	688.0	686.1	647.4
FT-A Long gilt	10.27	10.31	10.48
TOKYO			
Nikkei-Dow	10,866.34	10,761.82	8596.09
Tokyo SE	850.20	845.38	623.22
AUSTRALIA			
All Ord.	closed	759.1	597.4
Metals & Mins.	closed	542.0	547.8
AUSTRIA			
Credit Aktien	54.97	54.98	55.25
BELGIUM			
Belgian SE	154.69	154.89	121.47
CANADA			
Toronto Composite	2319.0*	2321.5	2315.3
Montreal Industrials	419.35*	418.82	394.82
Combined	395.93*	395.65	387.76
DENMARK			
Copenhagen SE	n/a	196.11	138.36
FRANCE			
CAC Gen	174.4	173.4	119.5
Ind. Tendance	110.9	110.3	74.1
WEST GERMANY			
FAZ-Aktien	351.18	349.27	319.59
Commerzbank	1026.4	1021.6	957.1
HONG KONG			
Hang Seng	1082.72	1070.02	1041.07
ITALY			
Banca Comm.	closed	216.78	190.27
NETHERLANDS			
ANP-CBS Gen	158.8	157.8	125.9
ANP-CBS Ind	126.7	125.7	105.4
NORWAY			
Oslo SE	281.05	280.59	178.25
SINGAPORE			
Straits Times	1004.38	993.27	927.69
SOUTH AFRICA			
Golds	1042.8	1042.4	928.4
Industrials	1070.5	1065.1	938.3
SPAIN			
Madrid SE	114.47	114.68	110.9
SWEDEN			
J & P	1510.33	1523.15	1384.12
SWITZERLAND			
Swiss Bank Ind	372.4	371.6	321.1
WORLD	April 24	Prev	Year ago
Capital Int'l	186.8	186.8	174.5

GOLD (per ounce)

	April 25	Prev
London	$382.75	$383.75
Frankfurt	$383.25	$383.25
Zürich	$382.50	$383.50
Paris (fixing)	$381.62	$383.71
Luxembourg (fixing)	$382.75	$385.00
New York (April)	$381.50*	$382.10

* Latest available figure

CURRENCIES

(London)	U.S. DOLLAR April 25	Previous	STERLING April 26	Previous
$	–	–	1.4115	1.409
DM	2.6795	2.6795	3.785	3.7775
Yen	225.65	225.45	318.75	318.0
FFr	8.2275	8.239	11.61	11.6075
SwFr	2.217	2.2165	3.1325	3.125
Guilder	3.0225	3.024	4.2675	4.2625
Lira	1654.0	1658.5	2334.0	2336.5
BFr	54.6	54.74	77.05	77.15
C$	1.27965	1.28105	1.8055	1.8045

INTEREST RATES

	April 25	Prev
Euro-currencies (3-month offered rate)		
£	8⅞	8⅞
SwFr	3⅞	3¾
DM	5⅝	5 11/16
FFr	13⅛	13⅛
FT London Interbank fixing (offered rate)		
3-month U.S.$	11	11 1/16
6-month U.S.$	11¼	11 5/16
U.S. Fed Funds	10⅝*	9⅝
U.S. 3-month CDs	10.55*	10.65
U.S. 3-month T-bills	9.63*	9.575

U.S BONDS

Treasury	April 25* Price	Yield	Prev Price	Yield
11½ 1986	99 20/32	11.71	99 24/32	11.63
12⅜ 1991	98 24/32	12.65	98 27/32	12.63
11.75 1993	94 21/32	12.73	94 22/32	12.72
12 2013	94 7/32	12.75	94 6/32	12.74
Corporate	April 25* Price	Yield	Prev Price	Yield
AT & T				
10⅜ June 1990	90⅝	12.70	90⅝	12.70
3⅞ July 1990	70⅝	10.40	70⅝	10.40
8⅝ May 2000	70⅛	13.30	69⅞	13.35
Xerox				
10⅜ March 1993	87¼	13.10	86½	13.15
Diamond Shamrock				
10⅜ May 1993	86⅝	13.20	86½	13.25
Federated Dept Stores				
10⅜ May 2013	79⅜	13.40	79⅜	13.40
Abbot Lab				
11.80 Feb 2013	88⅝	13.35	88⅝	13.35
Alcoa				
12¼ Dec 2012	89¼	13.75	89¼	13.75

FINANCIAL FUTURES

CHICAGO	Latest	High	Low	Prev
U.S. Treasury Bonds (CBT) 8% 32nds of 100%				
June	65–07	65–11	65–03	65–08
U.S. Treasury Bills (IMM) $1m points of 100%				
June	90.08	90.13	90.05	90.12
Certificates of Deposit (IMM) $1m points of 100%				
June	89.03	89.05	89.00	89.01
LONDON				
Three-month Eurodollar $1m points of 100%				
June	88.89	88.94	88.89	88.85
20-year Notional Gilt £50,000 32nds of 100%				
June	107–08	107–10	107–02	106–25

COMMODITIES

(London)	April 25	Prev
Silver (spot fixing)	655.20p	660.65p
Copper (cash)	£1050.00	£1084.50
Coffee (May)	£2054.50	£2079.50
Oil (spot Arabian light)	$28.32	$28.37

Prices at 3pm, April 25

NEW YORK STOCK EXCHANGE COMPOSITE PRICES

12 Month High	12 Month Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
20⅝	11½	AAR	.44	2.3	20	118	19½	19⅛	19½	-⅛
52⅞	31½	ACF	1.40	2.7	655	157	52⅛	52⅛	52⅛	
18⅞	13⅛	AMF	.50	3.5		588	14⅛	13⅞	14⅛	+⅛
41⅛	26	AMR Cp			7	2234	33⅞	33⅛	33¼	-¼
20⅞	17⅛	AMR pf	2.19	11.		40	19⅝	19⅛	19⅝	+⅛
41½	29⅝	AMR pf	2.13	6.0		21	35⅛	35	35⅛	-⅛
16⅛	8⅛	APL			3	2	10⅞	10⅝	10⅝	
56¼	40⅛	ARA	2.10	5.0	9	47	41⅞	41⅛	41⅞	+⅛
77⅛	50⅛	ASA	3e	4.6		279	66½	65	65¼	-⅛
33⅛	17	AVX	s .32	1.6	15	247	20⅛	19⅞	20⅛	+⅛
53⅞	38⅛	AbtLab	1.20	2.6	15	339	45⅛	42½	43⅛	
30⅛	23⅛	AccoWd	.60	2.3	19	67	26⅛	25⅞	26⅛	+⅛
27½	19⅝	AcmeC	.40	1.9		164	21¼	20½	21	+⅛
24⅞	12⅞	AdmDg	.04	.3	6	3	14⅛	14⅛	14⅛	+⅛
18⅛	15⅞	AdaEx	2.11e	13.		56	15⅝	15⅛	15⅝	
19⅛	11	AdmMl	.28	1.7	8	28	16⅞	15⅛	16½	+⅛
22	14½	AdvSys	.61	5.1	18	69	16⅞	16	16	-⅛
15⅞	8⅞	Advest	.12	1.2	12	20	10	9⅞	9⅞	-⅛
37½	17⅞	AMD	s		25	3148	32⅞	31⅛	32⅛	+⅛
24⅝	12	Aerflx	s		12	22	12⅞	12	12	-⅛
43½	33¼	AetnLf	2.64	7.5	11	977	36⅛	36⅛	36⅛	-⅛
40½	20	Ahmns	1.20	5.6	5	438	21⅛	21⅛	21½	-⅛
7⅛	3⅞	Aileen				12	3⅞	3⅞	3⅞	
51	36½	AirPrd	1	2.1	11	596	47⅛	46½	46⅞	-⅝
30⅝	16	AirbFrt	.60	3.5	10	60	17⅛	17	17⅛	
3¼	1⅛	AlMoa	s			49	3⅛	3⅛	3⅛	
33½	28⅛	AlaP	pfA3.92	14.		3	29	29	29	
7⅞	6¼	AlaP	dpf.87	13.		21	6⅞	6⅛	6⅞	
99	92¼	AlaP	pf 11	12.		z70	94	94	94	
70	58¼	AlaP	pf8.28	14.		z40	59⅛	58⅛	59¼	+⅛
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Continued on Page 37

AMERICAN STOCK EXCHANGE COMPOSITE PRICES

Prices at 3pm, April 25

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
[illegible]										

Continued on Page 38

NEW YORK STOCK EXCHANGE COMPOSITE PRICES

Continued from Page 36

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
[illegible]										

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 per cent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a—dividend also extra(s). b—annual rate of dividend plus stock dividend. c—liquidating dividend. cld—called. d—new yearly low. e—dividend declared or paid in preceding 12 months. g—dividend in Canadian funds, subject to 15% non-residence tax. i—dividend declared after split-up or stock dividend. j—dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k—dividend declared or paid this year, an accumulative issue with dividends in arrears. n—new issue in the past 52 weeks. The high-low range begins with the start of trading. nd—next day delivery. P/E—price-earnings ratio. r—dividend declared or paid in preceding 12 months plus stock dividend. s—stock split. Dividends begins with date of split. sls—sales. t—dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u—new yearly high. v—trading halted. vi—in bankruptcy or receivership or being reorganised under the Bankruptcy Act, or securities assumed by such companies. wd—when distributed. wi—when issued. ww—with warrants. x—ex-dividend or ex-rights. xdis—ex-distribution. xw—without warrants. y—ex-dividend and sales in full. yld—yield. z—sales in full.

MARKET REPORT

Equity leaders revive strongly in thin trading

Index closes 11.4 up at 887.6

Account Dealing Dates
Option

*First Dealings	Declarations	Last Dealings	Account Day
Apr 9	Apr 26	Apr 27	May 8
Apr 30	May 10	May 11	May 21
May 14	May 31	June 1	June 11

* "New-time" dealings may take place from 9.30 am two business days earlier.

London equities revived strongly yesterday from the pre-Easter spell of uncertainty. Leading shares took their cue from Wall Street's performance late on Tuesday and advanced throughout the session to close at the day's best. The FT Industrial Ordinary share index finally rose 11.4 to 887.6.

More encouraging U.S. news and particularly the moderate rise last month in the consumer price index, which allayed fears of the economy there overheating, was the main stimulant in both financial centres. But markets also derived support from lower U.S. short-term interest rates and a broker loan rate reduction plus news of a smaller-than-expected Federal Budget deficit for March.

Investment demand in London was highly selective and concentrated on sectors rather than individual stocks. Oils attracted good business in the wake of Exxon's impressive first-quarter profits and the emphasis on increased North Sea oil production.

Engineering and Brewery shares, too, enjoyed a relatively brisk trade, while **Marks and Spencer** became popular ahead of Tuesday's preliminary statement. **Beecham** were also prominent but many other top-quality stocks were sidelined. **ICI**, for instance, could only maintain an enhanced opening level awaiting today's first-quarter results.

Early demand for Government stocks was aroused by the better trend overnight in U.S. bonds which followed slightly cheaper U.S. credit and lessening inflationary pressures. Longer-dated gilts soon rose nearly ½ and maintained the firm tone later despite a dwindling interest. The shorts managed improvements of ⅛, while selected index-linked issues responded to small revived buying with gains extending to ⅛.

MIDLAND RISE

The chairman's assurance that the dividend will be maintained at current levels and further cash calls would not be required despite recent setbacks such as the Budget withdrawal of tax relief on leasing profits and the heavy losses incurred by its U.S. associate, Crocker National, prompted not only a good recovery in **Midland** but also firmness in other clearers. Midland closed 10 up at the day's best of 390p, while **NatWest** gained 12 to 652p. **Barclays** ended 10 dearer at 483p following the agm and **Lloyds** ended 8 higher at 625p. Elsewhere, **Royal Bank of Scotland** rose 6 to 220p on speculative buying fuelled by hopes that the Government will soon give the go-ahead for Lloyds, currently the owner of a 21.34 per cent stake in RBS, to proceed with a full-scale offer. Among merchant banks, **Mercury Securities** came on offer at 550p, down 22.

Commercial Union rebounded smartly in Insurances, rallying 17 to 226p on revived speculative buying. Other Composites moved up in sympathy with **Royals**, closing 10 better at 578p, and **General Accident**, 7 dearer at 465p. Awaiting today's preliminary results, **Minet** firmed 4 to 180p among Lloyds Brokers where **Sedgwick** gained 6 to 276p in front of today's agm. Life issues had **Legal and General**, 462p, and **London and Manchester**, 465p, up 10 apiece.

Among recently-issued equities, **Petranol** continued to reflect Texas exploration hopes and rose 10 more to 343p. USM-quoted **Body Shop International**, at 180p, recovered half of Tuesday's fall of 20.

The current spell of warm weather gave dealers cause to mark leading Breweries higher and, although prices were often below the best, some sizeable gains were retained. **Bass**, which has a larger penetration in the UK lager market than other major concerns, featured in rising to 365p before settling a net 10 up at 360p. **Grand Metropolitan**, due to announce first-half results on May 15, rose 6 to 336p, while **Whitbread**, 167p, and **Allied-Lyons**, 164p, firmed 7 and 4 respectively. Elsewhere in the drinks sector, recent speculative favourite **Distillers** returned to the fore and attained a 1984 peak of 290p before closing 4 higher on balance at 288p following confirmation that **GEC**, 2 harder at 180p, holds some 10m shares, accounting for around 2.7 per cent of the equity.

Buildings traded quietly awaiting today's announcement from **Blue Circle, George Wimpey** and **UBM**. Ahead of their respective preliminary statements, **Blue Circle** rose 8 to 425p and **George Wimpey** firmed 3 to 150p, but **UBM** lost the turn to 151p. Elsewhere, **John Laing** attracted support ahead of next Wednesday's annual results and gained 8 to 212p, while **Tarmac**, also reporting soon, edged up 4 to 504p. Revived speculative demand in a restricted market lifted **Derek Crouch** 8 to 80p, but **William Leech** shed 4 to 96p as takeover hopes faded. **Federated Housing** closed 4 dearer at 63p, after 65p, following the chairman's optimistic AGM statement. Timber issues featured **Travis and Arnold** which touched 375p on the annual results before reacting on profit-taking to close 9 down on balance at 361p.

Helped by the overnight rally on Wall Street, **ICI** opened 4 higher at 606p and retained that level throughout. A buoyant market since the recent major disposal, **Laporte** drew fresh support in front of today's annual results and rose 13 more to 456p. **Anchor Chemical** gained 6 for a two-day rise of 13 to 110p in response to the increased annual profits and optimistic statement.

Leading Retailers benefited as investors belatedly responded to the latest CBI/FT survey of the distributive trades. **Marks and Spencer** were particularly buoyant and advanced 9 to 253p in front of next Tuesday's preliminary results. **House of Fraser**, expected to reveal annual pre-tax profits of around £40m today, hardened a couple of pence to 254p, while **Woolworth**, 513p, and **Gussies A**, 627p, both added 5.

Secondary Stores featured Newsagents. **Martin**, a rising market late on Tuesday, attracted fresh demand and spurted 17 more to 195p. Sympathetic gains were evident in **NSS**, up 5 at 86p, and in **John Menzies**, 15 dearer at 345p. **Ellis and Goldstein** were lively and improved 6 to 59p, after 61p, after reporting more-than-doubled full-year profits. The warning about current trading, which accompanied Tuesday's annual results, prompted renewed selling of **Bentalls**, down 7 at 48p. Speculators displayed interest in **W.W.**, 8 up at 158p, but profit-taking left **French Connection** 12 cheaper at 328p.

Interest in the Electrical leaders was at a low ebb. **Plessey** hardened a few pence to 234p, but **Thorn EMI** softened to 642p, after 640p, with sentiment affected by reports of a broker's downgraded profits forecast. Secondary issues displayed no set trend. **George H. Scholes** gained 5 to 335p as did **Thermal Scientific**, to 130p. **Arlen** continued to retreat, falling 4 more to 65p.

Leading Engineers came to life with quite a flourish. Revived demand often found the market short of stock and **Babcock** rose 8 to 166p. **Hawker** closed the same amount higher at 460p, after 466p, while **Vickers** rose 5 to 163p ahead of today's AGM. **TI** added 4 at 252p and **Simon** advanced 7 to 484p. Elsewhere, **Spear and Jackson** responded to the sharp dividend increase and strong profits recovery with a rise of 10 to 160p. **Brown and Tawse** put on 2 more to 117p and **APV** firmed 3 to 328p. **John Folkes Hefo**, annual results scheduled for next Wednesday, hardened a penny to 21p.

Rowntree Mackintosh, a strong market recently on takeover speculation, reacted to 276p on adverse Press comment before revived demand induced a strong rally which brought a close of 2 dearer on balance at 288p. Elsewhere, **S. & W. Berisford** attracted late support and firmed 3 to 199p, while **Tate and Lyle** hardened a couple of pence to 410p. Retailers were firmer with **J. Sainsbury** up 6 at 533p and **Associated Dairies** 2 better at 170p.

De Vere Hotels made fresh progress to 328p before the Board's statement which cooled recent bid speculation and left the price a net 10 down at 312p.

POLLY PECK ADVANCE

Beecham, 10 up at 325p, led the recovery in the miscellaneous industrial leaders. **Unilever** closed the same amount better at 905p, while **Fisons** gained 8 to 793p and **Boots** 6 to 174p. **Trafalgar House** improved 6 to 254p and **Pilkington** 5 to 313p. Elsewhere, Mr Asil Nadir's trio of quoted companies all made good progress on hopes that the long-awaited merger details would be announced shortly; **Polly Peck** jumped 18 to 313p, while **Cornell** gained 15 to 268p and **Wearwell** put on 5 to 130p. A flurry of speculative support lifted **BET Deferred** 13 to 268p, while **UKO** improved 13 to 160p. Ahead of Monday's preliminary results, **Fosece Minsep** hardened a couple of pence to 179p, **Marley** closed 2 dearer at 88p following the annual meeting and **British Aerospace** found support at 245p, up 6. **Wedgwood** firmed 4 to 136p.

Among Leisure issues, **Juliana's** drew fresh support and rose 20 to 455p. **Leisuretime International** continued to attract speculative interest on rumours that its major asset the Old Swan Hotel Harrogate was up for sale and gained 4 more to 66p.

Publishers traded quietly and generally without distinction. **Fleet** hardened a couple of pence to 160p, while **Websters**, which announced excellent preliminary figures just before Easter, advanced 8 more to 143p. Paper / Printings highlighted speculative activity in **John Waddington**, which improved 20 to 413p.

The undertone in Properties was firm despite a lack of investment activity. **Land Securities** hardened a couple of pence to 285p and **Stock Conversion** improved 3 to 338p. Elsewhere, **Espley Trust** attracted fresh buying and gained 4 to 97p, while **Rush and Tompkins** rose 6 to 260p after comment on the annual results. USM-quoted **Wingate Property** gained the turn to 111p following satisfactory preliminary figures.

The near-40 per cent jump in first-quarter net profits announced by Exxon gave a major boost to leading UK oils. **Shell** were the major beneficiary and gained ground throughout to close 15 up at 655p, while **BP** were finally a net 7 to the good at a 1984 high of 512p. **Burmah** put on 7 to 192p, **Ultramar** 3 to 680p and **Tricentrol** 2 to 207p.

Revived North Sea exploration hopes and the chairman's encouraging statement inspired strong support for **LASMO**, which touched 341p prior to closing a net 10 firmer at 338p. **Saxon Oil**, LASMO'S partner in the most northerly well yet drilled in the North Sea, also attracted persistent buying interest and posted a gain of 15 at 403p, after a year's high of 405p.

Among Irish issues, **Bryson** made good progress in the late trading and closed 20 higher at 870p. **Aran Energy**, however, slipped 3 to 60p and **Atlantic Resources** 2 to 64p.

Among Overseas Traders, **James Finlay** hardened a couple of pence to 143p awaiting today's half-time results.

Plantations trended firmer following Far-Eastern advices. **Gadek (Malaysia)** rose 25 to 188p, as did **Inch Kenneth**, to 875p. **Bertam**, 200p, and **Consolidated Plantations**, 97½p, firmed 5 and 2½ respectively.

GOLDS UP AGAIN

Mining issues remained subdued. South African Golds continued to edge higher in thin trading, reflecting widespread stock shortages, despite the general lack of interest in precious metal markets. Bullion slipped back to close a net $1 easier on balance at $382.75 an ounce. The Gold Mines index rose 1.9 more to 688.0.

Supply shortages were again most evident in the marginal issues. **Consolidated Modderfontein** were a case in point and moved up 19 more to a 1984 high of 446p, while **East Daggafontein** put on 8 to 414p. Good gains were also seen in **Loraine**, 19 higher at 443p, **Vlakfontein**, 11 firmer at 237p, and **Wit. Nigel**, which added 7 at 218p.

In the top quality issues, **Vaal Reefs** were prominent and posted a ½ gain at £93½. **Hartebeest** hardened ⅛ to a year's best of £60½ and **St Helena** rose ⅛ to £27⅛. **Blyvoor**, however, succumbed to light profit-taking and eased ⅛ to £10⅛.

Financials were a livelier market. In the South African sector, **De Beers** dipped 5 to 540p ahead of the annual report and chairman's statement. **Gencor Investment** were a firm feature, however, and rose ⅛ to a 1984 high of £13⅜ reflecting Cape support, while "**Johnnies**" gained a half-point at £96½.

In London-domiciled Financials, **Rio Tinto-Zinc** revived 5 to 655p, boosted by the strong gains in domestic equities.

Platinums made modest progress, Lydenburg and Rustenburg adding 10 apiece at 710p and 860p respectively.

Malaysian Tins provided an outstanding performer in **Pengkalen**, which followed Tuesday's jump of 100 with a further advance of 150 to a 1984 high of 800p amid persistent takeover speculation. **Petaling** rose 12 to 340p.

Elsewhere, renewed demand from Johannesburg saw **Consolidated Murchison** move up a further 33 to 935p.

The expiry of the April series gave a much-needed boost to Traded Option volume with total contracts struck amounting to 7,185—the highest for over a month. Recent favourite **Commercial Union** were again to the fore and attracted 1,414 calls with 263 transacted in the April 200's which closed 11 dearer at 21p. **ICI** recorded 970 calls with 679 struck in the April 600's, while **GEC** attracted 878 calls 650 in the at-the-money April 180's. Among Oils, **British Petroleum** recorded 754 calls with the April 500's accounting for 600 and finishing 7 up at 12p.

FINANCIAL TIMES STOCK INDICES

	April 25	April 24	April 18	April 18	April 17	April 15	year ago
Government Secs	82.08	81.88	81.68	81.94	82.03	82.03	81.60
Fixed Interest	26.27	25.32	86.31	85.31	86.30	86.22	85.71
Industrial Ord.	887.6	876.2	880.0	888.5	879.8	876.2	899.0
Gold Mines	688.0	686.1	683.2	679.4	875.3	872.5	647.4
Ord. Div. Yield	4.66	4.38	4.66	4.32	4.65	4.39	4.47
Earnings, Yld.% (full)	2.28	10.09	2.27	9.89	2.21	2.22	2.13
P/E Ratio (net) (*)	12.09	11.96	12.11	12.21	12.21	12.11	15.25
Total bargains (Est.)	90,074	20,090	22,877	22,026	22,654	24,696	23,862
Equity turnover £m.	—	183.49	253.36	680.12	298.35	283.01	289.27
Equity bargains	—	14,849	16,697	17,555	81,175	23,014	21,713
Shares traded (ml)	—	102.9	136.1	140.2	152.6	164.9	169.4

10 am 883.1. 11 am 884.3. Noon 885.7. 1 pm 886.7. 2 pm 887.6. 3 pm 887.6.

Basis 100 Govt. Secs. 8/1/58. Fixed Int. 1928. Industrial 1/7/35. Gold Mines, 12/1/58. SE Activity 1974.

Latest Index 01-246 8026.

*Nil=11.52.

HIGHS AND LOWS

	1984 High	1984 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	83.77 (8/1)	81.68 (18/4)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	87.42 (24/3)	86.27 (25/4)	155.4 (28/11/47)	50-03 (3/1/75)
Ind. Ord.	201.4 (21/3)	770.3 (4/1)	901.4 (21/3/84)	42.4 (26/6/40)
Gold Mines	711.7 (8/3)	520.9 (17/1)	734.7 (15/2/83)	43.5 (26/10/71)

S.E. ACTIVITY

	April 24	April 19
Daily Gilt Edged Bargains	128.0	128.7
Equities Bargains	94.3	107.7
Value	370.8	812.1
5-day Average Gilt Edged Bargains	147.4	158.9
Equities Bargains	120.4	128.2
Value	538.5	594.1

FT-SE 100 INDEX

Close	1119.8 (+14.4)
Day's high	1121.0 (4.44pm)
Day's low	1112.4 (2.35am)

Base value=1000 December 30 1983

RISES AND FALLS YESTERDAY

	Rises	Falls	Same
British Funds	79	1	24
Corpns. Dom. and Foreign Bonds	9	11	60
Industrials	294	196	921
Financial and Props.	138	70	314
Oils	28	18	74
Plantations	7	3	10
Mines	52	23	99
Others	93	41	78
Totals	700	363	1,580

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday.

Stock	Closing price	Day's change
Babcock Int'l	166	+ 2
Blue Circle	425	+ 2
BP	512	+ 7
Commercial Union	226	+17
Ellis & Goldstein	58	+ 6
ICI	606	+ 4
Marks & Spencer	253	+ 9
Midland Bank	390	+10
Polly Peck	313	+12
Rowntree Mackintosh	288	+ 2
Shell Transport	655	+15
Spear & Jackson	160	+10

TUESDAY'S ACTIVE STOCKS

Based on bargains recorded in Stock Exchange Official List.

Stock	No. of changes	Tues. close	Day's change
Body Shop New	14	170	−25
Henriques (A.)	13	44	+ 5
RTZ	12	653	− 2
Datasery	10	93	+ 9
Dura Mill	10	375	+95
ICI	10	602	− 4
Ladbroke	10	233	−10
Minster Assets	14	140	− 4
Rowntree Mack.	10	286	− 4
BP	9	505	+ 5
Comm. Union	8	209	− 6
Cons. Gld. Flds.	9	595	+10
Cons. Gld Flds	9	595	+10
Brit. Aerospace	8	242	—
Distillers	8	284	+ 7

OPTIONS

First Dealings	Last Dealings	Last Declaration	For Settlement
Apr 16	Apr 27	July 26	Aug 23
May 8	May 18	Aug 9	Aug 20
May 21	June 8	Aug 30	Sept 10

For rate indications see end of Share Information Service

Stocks favoured for the call included Commercial Union, Sterling Guarantee Trust, Waterford Glass, C. H. Industrials, Arlen, Brengreen, Lennons, Dominion International, Richards, Harold Ingram, LRC, Berkeley and Hey Hill Investments, GEC, Automotive Products, Nova (Jersey) Knit, Gestetner A, Minster Assets, Atlantic Resources, Premier Oil, Aran and Crosby Woodfield. Puts were taken out in Cosalt, Midland Industries and Polly Peck, while doubles were arranged in First Castle and London and Liverpool.

FT-ACTUARIES SHARE INDICES

These Indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

FIXED INTEREST

RECENT ISSUES

EQUITIES

FIXED INTEREST STOCKS

"RIGHTS" OFFERS

NEW HIGHS AND LOWS FOR 1984

EUROPEAN OPTIONS EXCHANGE

LONDON TRADED OPTIONS

WORLD STOCK MARKETS

AUSTRIA

April. 25	Price Sch $	+ or —
Creditanstalt	218	+1
Goesser	325	−3
Interunfall	409	..
Laenderbank	205	
Perlmooser	336	−2
Steyr-Daimler e.	149	......
Veitscher Mag	217	−1

BELGIUM/LUXEMBOURG

April 25	Price Frs.	+ or —
ARBED	1,810	
Banq Int A Lux	5,000	−200
Bekaert B	3,900	+50
Ciment CBR	2,325	−25
Cockerill	328	−9
Delhaize	4,800	
EBES	2,760	−15
Electrobel	6,700	−20
Fabrique Nat	2,305	+85
GB Inno BM	3,365	−5
GBL (Brux)	2,380	−5
Gevaert	3,300	..
Hoboken	5,440	
Intercom	2,090	−10
Kredietbank	7,130	+20
Pan Hldgs.	9,720	+50
Petrofina	7,980	+30
Royale Belge	9,050	−150
Soc. Gen. Banq	3,280	−220
Soc. Gen. Belge	1,895	+15
Sofina	6,100	+90
Solvay	4,140	+30
Traction el	3,675	+30
UCB	5,330	−20
Vieille Mont	4,260	−70

DENMARK

Apr. 25	Price Knr %	+ or —
Aarhus Olie	380	..
Andelsbanken	265	−4
Baltic Skand	630	−25
CopHandelsbank	264	−3
D. Sukkerfab	860	+5
Danske Bank	859	−2
East Asiatic	179	+3
Forenede Brygg.	985	+30
Forenede Damp.	168	+3
GNT Hldg.	585	+5
I.S.S.B.	680	
Jyske Bank	550	−61
[illegible]	[illegible]	[illegible]

FRANCE

April 25	Price Frs.	+ or —
[illegible]	[illegible]	[illegible]
Bouygues	728	+8
BSN Gervais	2,665	+38
CIT-Alcatel	1,315	+6
Carrefour	1,830	+50
Club Mediter'n	910	−4
CFAO	684	+9
Cie Bancaire	489.5	−5.5
Colimeg	225.5	..
Creusot Loire	35	−2.5
Darty	251	−4
Dumez S.A.	749	+21
Eaux (Cie Gen)	570	+20
Elf-Aquitaine	264.9	+1.9
Gen. Occidentale	595	−3
Imetal	87	+5
Lafarge Coppee	390.5	−3
L'Oreal	2,415	+20
Legrand	1,909	+44
Maisons Phenix	252	+7
Matra S.A.	1,511	−1
Michelin B	809	+2
Midi (Cie)	1,489	+33
Moet-Hennessy	1,530	+17
Moulinex	106.5	−0.4
Nord Est	50.5	..
Pernod Ricard	775	+15
Perrier	066	+2
Petroles Fra.	251.1	+2.1
Peugeot S.A.	236	+3
Poclain	45.1	−0.7
Printemps Au.	166.5	+8.5
Radiotech	310.2	+1.8
Redoute	1,250	+35
Roussel-Uclaf	1,160	+50
Schneider S.A.	105.5	+1.0
Sefimeg	260	−3
Skis Rossignol	1,415	+30
Telemech Elect.	1,660	
Thompson (CSF)	319	+3
Valeo	290	+18

GERMANY

Apr. 25	Price Dm.	+ or —
AEG-Telef	94.5	
Allianz Vers	759	+1
BASF	164	+1.5
Bayer	170	+0.9
Bayer-Hypo	394	......
Bayer Verein	343.3	+0.5
BHF-Bank	282	
BMW	382	−0.1
Brown Boveri	220.5	−0.5
Commerzbank	177.5	−0.5
Cont'l. Gummi	152.5	−1.7
Daimler-Benz	565	+5
Degussa	402xd	−3
Demag	148	
D'sche Babcoe	159.3	−0.7
Deutsche Bank	386.5	−1
Dresdner Bank	176.5	−0.5
GHH	148.6	+0.6
Hochtief	515	−3
Hoechst	179.3	−1.3
Hoesch Werke	114	+0.5
Holzmann (P)	425	
Horten	195	+0.5
Kali und Salz	196	
Karstadt	266	+1.5
Kaufhof	250	+2.3
KHD	248	+1
Kloeckner	63	
Krupp	79	−1.5
Linde	385	+7
Lufthansa	168	+0.3
MAN	150	+8
Mannesmann	144.2	−8
Mercedes Hld.	488	+1
Metallgesell.	247	
Muench Rueck	1,090	
Preussag	374.0	..
Rhein West Elect	163.7	+0.2
Rosenthal	230	
Schering	350	+1
Siemens	400.8	−2.8
Thyssen	84.7	+0.7
Varta	168.5	−1.2
Veba	170.3	+0.6
V.E.W	120.7	+0.2
Verein-West	300	
Volkswagen	201.2	−3.2

ITALY

Apr. 24	Price Lire	+ or —
Banca Com'le	34,500	+490
Bastogi IRBS	150.6	−0.4
Centrale	1,845	−3
Credito Varesino	5,395	−5
[illegible]	[illegible]	[illegible]

NETHERLANDS

April 25	Price Fls	+ or —
ACF Holding	183.5	+2.5
AEGON	127.0	+1.7
Ahold	192.0	+2.3
AKZO	92.7	−1.3
ABN	377	+4
AMEV	153.7	−0.3
AMRO	68.8	−0.5
Bredero Cert.	200.5	−0.6
Bos Kalis Westm.	31.5	+2.0
Buehrmann-Tet	65.3	−1.2
Calland Hldgs.	56.3	+0.1
Credit Lyon'is Bk	57.5	+0.5
Elsevier-NDU	87.0	+0.5
Gist. Brocades	130.7	+1.2
Heineken	130	+5
Hoogovens	47.2	+0.9
Hunter Douglas	27	−0.1
Int Mueller	33.8	+0.2
KLM	172.8	−0.7
Naarden	59.8	+0.8
Nat Ned Cert	217	+1
Ned. Credit Bank	40	
Ned Mid Bank	147	−4.0
Nedlloyd	119.2	+0.4
Oce Grinten	236.5	+1.5
Ommeren (Van)	29.2	+0.3
Pakhoed	62.6	+1.5
Philips	48.2	+0.2
Rijn-Schelde	3.4	+0.2
Robeco	324.0	+2.6
Rodamco	134.9	+0.2
Rolinco	315.6	+1.6
Rorento	203.2	+0.1
Royal Dutch	157.0	+1.7
Unilever	255.5	+0.8
VMF Stork	109	−2
VNU	152.8	+1.3
West Utr Bank	93.5	+0.8

NORWAY

April 25	Price Kroner	+ or —
[illegible]	[illegible]	[illegible]

SPAIN

April 25	Price Pta %	+ or —
[illegible]	[illegible]	[illegible]

SWEDEN

April 25	Price Kronor	+ or —
AGA	370	−2
Alfa-Laval	278	−3
ASEA (Free)	350	......
Astra (Free)	515	......
Atlas Copco	129	−5
Boliden	455	−3
Cardo (Free)	480	−3
Cellulosa	157	−3
Electrolux B	266	−4
Ericsson	329	−1
Esselte	540	−10
Mo Och Domsjo	550	−10
Pharmacia	278	−5
Saab-Scania	400	−7
Sandvik	401	+1
Skandia	385	−6
Skan Enskilda	348	+9
SKF	217	−4
St. Kopparbergs	755	−10
Sven Handelsbn.	198	−1
Swedish Match	859	......
Volvo B (Free)	470	+4

SWITZERLAND

April 25	Price Frs.	+ or —
Alusuisse	824	......
Bank Leu	3,870	+45
Brown Boveri	1,470	−10
Ciba Geigy	2,350	+10
do. (Part Certs)	1,730	−5
Credit Suisse	2,240	+5
Elektrowatt	2,685	+5
Fischer (Geo.)	679	+7
Genevoise	3,700	..
Hoff-Roche PtCts	100,250	+250
Hoff-Roche 1/10	10,025	+50
Jacobs Suchard	6,700	+50
Jelmoli	1,860	+10
Landis & Gyr	1,440	......
Nestle	6,255	+56
Oer-Buehrle	1,246	−10
Pirelli	249	......
Sandoz (Br)	8,800	+50
Sandoz (PtCts)	1,010	......
Schindler (PtCts)	590	+5
Swissair	1,075	+10
Swiss Bank	337	+1
Swiss Reinsce	8,000	......
Swiss Volksbk.	1,455	+10
Union Bank	3,480	+10
Winterthur	3,010	−80
Zurich Ins.	17,775	−25

AUSTRALIA

Apr. 24	Price Aust $	+ or —
ANZ Group	3.66	......
Acrow Aust.	1.6	......
Alliance Oil D.	0.75	......
Ampol Pet	1.75	......
Aust Cons Ind	1.89	+0.01
Aust. Guarant	2.75	......
Aust. Nat. Inds	2.69	+0.05
Aust. Paper	2.06	+0.05
Bell Group	6.26	−0.04
[illegible]	[illegible]	[illegible]
Tooth	[illegible]	......
Vamgas	3.55	+0.05
Western Mining	4.26	−0.02
Westpac	3.88	+0.08
Woodside Petrol.	1.22	+0.05
Woolworths	9.38	......
Wormald Intl	3.25	......

HONG KONG

Apr. 25	Price H.K.$	+ or —
Bank East Asia	25	−0.2
Cheung Kong	9.7	+0.1
China Light	12.6	+0.2
Hang Lung Devel.	2.97	......
Hang Seng Bank	38.75	......
HK Electric	6.2	+0.1
HK Kowloon Wh.	4.9	+0.1
HK Land	3.87	−0.05
HK Shanghai Bk.	7.25xa	+0.1
HK Telephone	46	+0.25
Hutchison Wpa	17.6	+0.3
Jardine Math	11.3	+0.9
New World Dev	3.62	+0.07
Orient O'seas	8.67	+0.06
O'seas Trust Bk.	3.4	......
SHK Props.	7.63	+0.06
Swire Pac A	18.9	+0.4
Wheel'k Mard A.	3.65	+0.05
Wheel'k M'time	2.05	......
World Int. Hldgs.	8.30	+0.05

JAPAN

April. 25	Price Yen	+ or —
Ajinomoto	1,150	+60
Alps Electric	8,460	−10
Amada	1,330	+30
Asahi Chem	648	+20
Asahi Glass	763	−7
Bridgestone	610	......
Canon	1,520	+20
Casio Comp.	1,240	−80
Chugai Pharm	1,040	......
Citizen	680	......
Daiei	710	−19
Dai Nippon Ptg	1,110	−30
Daiwa House	468	−6
Ebara	522	−8
Eisai	1,100	−10
Fanuc	2,040	−100
Fuji Bank	1,080	+60
Fuji Film	1,690	......
Fujisawa	801	+1
Fujitsu	1,280	......
Green Cross	1,850	+30
Hasegawa	375	......
Heiwa Real Est.	625	+17
Hitachi	939	+3
Hitachi Credit	1,860	−10
Honda	1,110	+10
House Food	770	−2
Hoya	2,050	+40
Itoh (C)	311	+3
Ito. Yokado	2,150	......
Iwatsu	1,810	−60
JACCS	376	+1
JAL	2,700	−100
Jusco	845	+5
Kajima	298	+8
Kao Soap	805	+4
Kashiyama	680	+5
Kirin	615	−3
Kokuyo	1,100	......
Komatsu	484	−1
Konishiroku	658	−8
Kubota	310	−1
Kumagai	470	+1
Kyoto Ceramic	3,830	−60
Maeda Const.	490	−20
Makino Milling	1,410	+10
Makita	1,030	−10
Marubeni	365	+26
Marudai	625	−2
Marui	1,260	......
MEI	1,890	+30
M'ta Elec Works	771	+8
M'bishi Bank	1,030	......
M'bishi Corp.	555	+1
M'bishi Elec	428	+2
M'bishi Estate	638	+9

JAPAN (continued)

April. 25	Price Yen	+ or —
MHI	247	−5
Mitsui Co	365	..
Mitsui Estate	738	+13
Mitsukoshi	347	......
NGK Insulators	773	+15
Nihon Cement	212	−6
Nippon Denso	1,530	......
Nippon Elect	1,380	−20
Nippon Express	510	+9
Nippon Gakki	625	−6
Nippon Kokan	149	+8
Nippon Oil	1,160	−10
Nippon Seiko	810	−17
Nippon Shimpan	643	−5
Nippon Steel	173	+1
Nippon Suisan	345	+5
NTV	12,800	−20
Nippon Yusen	241	+1
Nissan Motor	668	......
Nisshin Flour	420	......
Nisshin Steel	206	−4
Nomura	850	+9
Olympus	910	−15
Omron Tateisi	2,150	......
Orient Leasing	3,840	+60
Pioneer	3,420	−30
Renown	880	−3
Ricoh	1,080	+20
Sankyo	714	−7
Sanyo Elect.	319	+2
Sapporo	448	+20
Sekisui Prefab	570	......
Seven-Eleven	8,550	−50
Sharp	1,170	......
Shimadzu	678	−12
Shionogi	825	+7
Shiseido	1,140	......
Sony	3,650	+90
Stanley	825	+28
S'tmo Bank	1,130	+30
S'tomo Elect	910	−3
S'tomo Marine	518	+14
S'tomo Metal	174	+6
Taihei Dengyo	491	......
Taisei Corp	313	+1
Taisho Pharm	977	−4
Takeda	723	+3
TDK	6,750	+10
Teijin	435	+10
Teikoku Oil	706	+6
Tokyo Marine	644	+9
TBS	866	+5
Tokyo Elect Pwr.	1,260	......
Tokyo Gas	171	−1
Tokyo Sanyo	516	−10
Tokyo Style	795	−3
Tokyu Corp	325	+14
Toppan Print	800	+18
Toray	474	+9
Toshiba Elect.	421	−4
TOTO	[illegible]	[illegible]
Toyo Seikan	[illegible]	[illegible]
Toyota	[illegible]	[illegible]
Victor	[illegible]	[illegible]
Wacoal	[illegible]	[illegible]
Yamaha	[illegible]	[illegible]
Yamanouchi	[illegible]	[illegible]
Yamazaki	[illegible]	[illegible]
Yasuda Fire	[illegible]	[illegible]
Yokogawa Bdge.	[illegible]	[illegible]

SINGAPORE

Apr. 25	Price $	+ or —
Boustead Hldgs.	[illegible]	[illegible]
Cold Storage	[illegible]	[illegible]
DBS	10.0	..
Fraser & Neave	6.26	+0.05
Genting	3.4	+0.1
Haw Par. Bros	2.59	−0.01
Inchcape Bhd.	9.83	+0.05
Keppel Shipyard	3.08	......
Malay Banking	10.1	+0.1
Malay Brew.	6.8	......
Multi Purpose	1.93	+0.02
OCBC	10.6	+0.1
OUB	4.38	+0.04
Sime Darby	2.46	+0.01
Straits St'mship.	1.58	......
Straits Trdg.	8.85	+0.05
UOB	5.35	+0.05

SOUTH AFRICA

Apr. 25	Price Rand	+ or —
Abercom	2.45	......
AE & CI	9.50	......
Anglo Am Coal	30	+0.25
Anglo Am Corp	24.9	+0.1
Anglo Am Gold	153	......
Barclays Bank	21.0	......
Barlow Rand	14.8	+0.1
Buffels	82.0	......
CNA Gallo	3.0	......
Currie Finance	6.25	......
De Beers	9.55	−0.05
Driefontein	48.75	+0.25
FS Geduld	53.6	......
Gold Fields S.A.	29.75	+1.25
Highveld Steel	6.1	......
Nedbank	17.25	......
OK Bazaars	18.8	......
Protea Hldgs	3.05	......
Rembrandt	27.00	......
Rennies	15	......
Rust. Plat.	16.25	+0.1
Sage Hldgs	9.2	......
SA Brews	7.85	......
Smith (C.G)	26.25	......
Tongaat Huletts	11.8	..
Unisec	5.7	−0.05

NOTES — Prices on this page are as quoted on the individual exchanges and are last traded prices. § Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.

CANADA

TORONTO
Prices at 2.30 pm
April 25

Sales	Stock	High	Low	Close	Chng
400	Abti Prce	$25¼	25¼	25¼	
100	Canron A	$13½	13½	13½	
9350	Crownx	$16⅛	16	16⅛	
12700	Czar Res	180	186	186	
6500	Daon Dev	165	165	165	
2843	Denison A	$17¼	17¼	17¼	
18252	Denison B f	$17	16½	17	
	Lacana	$13¾	13½	13½	+¼
	LL Lac	$37	37	37	
	Loblaw Co	$14¼	14¼	14¼	
	MDS H A	$16	16	16	−½
	MICC	440	435	440	+5
	Mclan H X	$17½	17	17⅛	+⅛
142	Teck Cor A	$10½	10½	10½	−¼
2554	Teck B f	$10⅝	10⅝	10⅝	−⅛
1173	Tex Can	$38¼	38½	38¼	
27279	Thom N A	$37¾	37¾	37¾	−⅛
60770	Tor Dm Bk	$15¼	15¼	15¼	
3127	Torstar B f	$11½	11⅛	11⅛	
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

INTERNATIONAL GUIDE TO THE ARTS
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AMERICAN STOCK EXCHANGE PRICES

Continued from Page 37

12 Month High	Low	Stock	Div.	Yld.	P/E	Sls 100s	High	Low	Close	Prev. Close
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

OVER-THE-COUNTER

Nasdaq national market, 2.30pm prices

Stock	Sales (Hnds)	High	Low	Last	Chng
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
LinBrd s		115	20⅝	20⅝	20⅝	+⅛
LincTel	2	10	23½	23¼	23½	
LizClab s		620	34½	32¾	34¼	+2
LongF	1.20	10	24	23½	24	
Lortnr		20	25¼	25¼	25¼	
Lotus		484	22¼	21½	21½	−¼
Lypho		464	16	15¼	15¼	−¼
MCI s		14823	7⅞	7⅝	7⅞	−⅛
MDC	.28	49	9	8⅝	8⅝	−⅛
MachTc		14	6½	6½	6½	−¼
MackTr		197	19⅝	19⅛	19½	−¼
MagCt s		53	11	10¼	10¼	−⅛
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Continued on Page 50

LONDON

Chief price changes
(in pence unless otherwise indicated)

RISES

Exch. 12 1999/02.	£111½	+£¼
Babcock Int.	186	+ 8
Bass	360	+ 10
Blue Circle	425	+ 8
BET Defd.	268	+ 13
Comm Union	228	+ 17
Cornell	268	+ 15
Ellis & Gold	59	+ 6
Hawker Sidd.	460	+ 8
Laporte Inds.	456	+ 13
Marks & Spenc.	253	+ 9
Martin	195	+ 17
Midland Bank	390	+ 10
NSS Newsag.	86	+ 6
Polly Peck	313	+ 18
Royal Bk. of Sct.	220	+ 6
Spear & Jackson	160	+ 10
Vickers	163	+ 5
Waddington (J.)	413	+ 20
BP	512	+ 7
Lasmo	338	+ 10
Petranol	343	+ 10
Saxon Oil	403	+ 15
Shell Trans.	655	+ 15
Cons. Modderf.	446	+ 19
Cons. Murch.	935	+ 33
Pengkalen	800	+ 150

FALLS

Bentalls	48	− 7
De Vere Hotels	312	− 10
Travis & Arnold	361	− 9

Indices

NEW YORK—DOW JONES

	[illegible]
Industrials	[illegible]
Transport	[illegible]
Utilities	[illegible]
Trading vol 000's	[illegible]

STANDARD AND POORS

	[illegible]
Industrials	[illegible]
Composite	[illegible]

N.Y.S.E. ALL COMMON

	[illegible]
[illegible]	[illegible]

RISES AND FALLS

	[illegible]
Issues traded	[illegible]
Rises	[illegible]
Falls	[illegible]
Unchanged	[illegible]

MONTREAL

	[illegible]
Industrials	[illegible]
Combined	[illegible]

TORONTO Composite

	[illegible]
[illegible]	[illegible]

WORLD VALUE OF THE DOLLAR
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FT LONDON SHARE INFORMATION SERVICE

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

[illegible]

Five to Fifteen Years

[illegible]

Over Fifteen Years

[illegible]

Undated

[illegible]

Index-Linked

[illegible]

INT. BANK AND O'SEAS GOVT STERLING ISSUES

[illegible]

CORPORATION LOANS

[illegible]

COMMONWEALTH AND AFRICAN LOANS

[illegible]

LOANS

Building Societies

[illegible]

Public Board and Ind.

[illegible]

Financial

[illegible]

FOREIGN BONDS & RAILS

[illegible]

AMERICANS

[illegible]

CANADIANS

[illegible]

BANKS, HP & LEASING

[illegible]

Hire Purchase, Leasing, etc.

[illegible]

BEERS, WINES & SPIRITS

[illegible]

BUILDING INDUSTRY, TIMBER AND ROADS

[illegible]

CHEMICALS, PLASTICS

[illegible]

DRAPERY AND STORES

[illegible]

DRAPERY & STORES—Cont.

[illegible]

ELECTRICALS

[illegible]

ENGINEERING

[illegible]

ENGINEERING—Continued

[illegible]

FOOD, GROCERIES, ETC

[illegible]

HOTELS AND CATERERS

[illegible]

HOTELS—Continued

[illegible]

INDUSTRIALS (Miscel.)

[illegible]

INDUSTRIALS—Continued

1984 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's	P/E
73	45	MCD Group	71	.....	1.5	ф	1.1	ф
27½	21	MY Dart 10p	25	–½	0.75	ф	4.4	ф
154	136	M'c'rthy Ph. 20p	150	.....	7.0	2.8	6.7	6.6
157	134	Macfarlane Gp.	157xd	.....	3.87	ф	3.5	ф
44	37	Macleilan 20p	44	.....	d1.5	1.6	4.9	15.8
117	44½	Macpherson (D.)	109	.....	ф2.25	0.1	2.9	—
64	53	Magnolia Group	53xd	.....	2.5	ф	6.7	ф
69	43	Mainmet Hldgs 10p	45	.....	—	—	—	47.9
270	157	Man. Ship Can. £1	243	+1	5.9	3.5	3.2	12.5
92	78	Marley	88	+2	3.2	2.1	5.2	12.3
50½	40	Marling Ind. 10p	49	.....	†1.08	1.7	3.1	(22.0)
38	29	Marshall L'sy. 'A'	38	+2	1.3	ф	4.6	ф
66	54	Marshall's Univ	60	.....	—	—	—	ф
30	23	Martin-Black	23½	+½	—	—	—	—
£108	£88	Mathesons 7¾%	£88	.....	Q7¾%	2.3	(9.0)	—
372	296	Metal Box £1	358	.....	†11.55	3.2	4.6	(8.8)
190	129	Metal Closures	190	.....	6.3	ф	4.7	ф
29	18	Metal Sciences 2½p	23	.....	—	—	—	—
19	11	Metamec Jentique	11½	+½	0.01	—	—	—
139	109	Midland Marts	110	.....	4.0	2.1	5.2	13.2
59	45	Mitchell Cotts	58	.....	3.62	1.0	8.0	(15.0)
29	18	Moben Grp 1p	21xd	–1	0.5	ф	3.4	ф
£255	£184	M'santo 5pc 82-6	£212	+5	Q5%	—	†2.4	—
168	132	Morgan Crucible	162	.....	7.5	ф	6.8	ф
97	82	Moss (Robt.) 10p	92	–1	†2.0	2.4	3.1	17.0
272	197	NMW Computers	238xd	–2	6.0	ф	3.6	ф
65	57	Nash Inds.	62	.....	4.0	2.2	9.2	7.2
47	30	Neill&Sp'ncer10p	43	–1	—	—	—	ф
70	45	New Equip 10p	70	.....	ф1.15	6.5	2.3	9.4
33	16	Newman Industs	27	.....	—	—	—	(15.2)
31	16½	Do. 10pc Cm. Pf.	28	.....	10%	—	5.2	—
66	47½	Molton	53	.....	1.0	2.9	2.7	(18.6)
175	150	Norcros	157	.....	b7.0	2.5	6.4	9.4
88	76	Nu-Swift 5p	79	+1	—	—	—	15.4
100	88	Oakwood Grp.	88	.....	d6.5	—	10.6	—
190	172	Office & Elect	180	.....	7.5	2.8	6.0	8.4
825	700	Oriflame Intl SA	825	.....	Q53c	2.2	4.3	10.3
45	35	Ovenstone 12½c	41	.....	†Q3½	2.8	5.0	7.3
£146	£128	Ozalid Fin. Cv.	£131xd	–1	Q9%	—	†7.1	—
190	157	PCT Grp 10p	190	.....	b4.8	2.1	3.5	18.0
110	74	PH Industrials	110	.....	ф5.0	2.0	6.5	8.9
207	168	Parker Knoll 'A'	179	.....	8.5	3.0	6.8	6.7
265	232	Pauls & Whites	240	–2	8.0	3.5	4.0	6.6
560	403	Pearson (S.) & Son	553	+3	14.0	q2.7	3.7	12.1
35	27	Peek Holdings	27	.....	—	—	—	—
107	96	Peerless	98	.....	6.3	1.5	9.2	(9.0)

[illegible]

INSURANCES

[illegible]

LEISURE

[illegible]

LEISURE—Continued

[illegible]

MOTORS, AIRCRAFT TRADES

Motors and Cycles

[illegible]

Commercial Vehicles

[illegible]

Components

[illegible]

Garages and Distributors

[illegible]

NEWSPAPERS, PUBLISHERS

[illegible]

PAPER, PRINTING ADVERTISING

[illegible]

PROPERTY

[illegible]

PROPERTY—Continued

[illegible]

SHIPPING

[illegible]

SHOES AND LEATHER

[illegible]

SOUTH AFRICANS

[illegible]

TEXTILES

[illegible]

TOBACCOS

[illegible]

TRUSTS, FINANCE, LAND

Investment Trusts

[illegible]

INVESTMENT TRUSTS—Cont.

[illegible]

Finance, Land, etc

[illegible]

OIL AND GAS

[illegible]

OIL AND GAS—Continued

[illegible]

OVERSEAS TRADERS

[illegible]

PLANTATIONS

Rubbers, Palm Oil

[illegible]

Teas

[illegible]

MINES

Central Rand

[illegible]

Eastern Rand

[illegible]

Far West Rand

[illegible]

O.F.S.

[illegible]

Finance

[illegible]

Diamond and Platinum

[illegible]

Central African

[illegible]

MINES—Continued

1984 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's
		Australians					
18	15	ACM 20c	15½	.....	—	—	—
38	28	[illegible]	28	.....	—	—	—
10½	4	Asia Oil & Minerals	6	.....	—	—	—
[illegible]	17	[illegible]	18	.....	—	—	—
[illegible]	20½	Australia Mng	26½	.....	—	—	—
43	15	Balmoral Res.	43	.....	—	—	—
36	28	Black Hill Min.	30	+2	—	—	—
104	81	Bond Corp.	85	.....	Q10c	0.7	7.7
177	150	Bougainville	170	.....	[illegible]	[illegible]	[illegible]

[illegible]

Tins

[illegible]

Miscellaneous

1984 High	Low	Stock	Price	+ or –	Div Net	C'vr	Y'ld Gr's
[illegible]							
370	255	Centennial Min'ls	300	.....	—	—	—
175	135	Colby Res Corp	145	.....	—	—	—
955	740	Cons. Murch. 10c.	935	+33	100c	1.4	6.3
£20	£15	Eastern Trns. Cns. 50c.	£20	.....	Q85c	4.9	2.1
625	550	Echo Bay Mines	595	+3	—	—	—
252	203	Hampton Areas 10p	245	.....	3.75	2.1	2.1
205	170	Highwood Res.	195	+10	—	—	—
£24½	£19¾	Inco/Westlake Mining $1	£22¼	–¼	Q20c	—	0.7
365	275	Northgate C$1	325	–5	—	—	—
718	593	RTZ	658	+5	18.0	2.0	4.0
£155½	£120	Do. 8½pcLn'95-2000	£149	+2	Q8½%	ф	6.6
110	70	Sabina Inds C$1	80	.....	—	—	—
£11½	950	Tara Expln $1	£10½	.....	—	—	—

NOTES

Unless otherwise indicated prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures. P/Es are calculated on "net" distribution basis, earnings per share being computed on profit after taxation and unrelieved ACT where applicable; bracketed figures indicate 10 per cent or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Yields are based on middle prices, are gross, adjusted to ACT of 30 per cent and allow for value of declared distribution and rights.

- ■ "Tap Stock"
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents on application
- ф Figures or report awaited
- ♥ Not officially UK listed; dealings permitted under Rule 163(4)(a).
- ☆ USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- ‖ Dealt in under Rule 163(3).
- ‡ Price at time of suspension.
- ¶ Indicated dividend after pending scrip and/or rights issue; cover relates to previous dividend or forecast.
- ♦ Merger bid or reorganisation in progress.
- ♣ Not comparable
- ♠ Same interim; reduced final and/or reduced earnings indicated.
- § Forecast dividend; cover on earnings updated by latest interim statement.
- † Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ‖ No par value

B.Fr. Belgian Francs. Fr. French Francs. ♦♦ Yield based on assumption Treasury Bill Rate stays unchanged until maturity of stock. a Tax free. b Figures based on prospectus or other offer estimate. c Cents. d Dividend rate paid or payable on part of capital, cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend and yield exclude a special payment. t Indicated dividend; cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend, cover based on previous year's earnings. v Subject to local tax. x Dividend cover in excess of 100 times. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Minimum tender price. F Dividend and yield based on prospectus or other official estimates for 1983-84. G Assumed dividend and yield after pending scrip and/or rights issue. H Dividend and yield based on prospectus or other official estimates for 1984. K Figures based on prospectus or official estimates for 1984. M Dividend and yield based on prospectus or other official estimates for 1983. N Dividend and yield based on prospectus or other official estimates for 1985. P Figures based on prospectus or other official estimates for 1983. Q Gross. T Figures assumed. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xc ex capital distribution.

REGIONAL & IRISH STOCKS

The following is a selection of Regional and Irish stocks, the latter being quoted in Irish currency.

Stock	Price	+ or –	Stock	Price	+ or –
			Fin 13% 97/02	£92¼	.....
Albany Inv 20p	82		Alliance Gas	70	.....
Craig & Rose £1	900		Arnott	220	.....
Finlay Pkg 5p	54		CPI Hldgs.	82	.....
Higsons Brew	103		Carroll Inds	118	.....
Holt (Jos) 25p	880	.....	Hall (R. & H.)	58xd	.....
IoM Stm £1	149	.....	Heiton Hldgs	18	.....
IRISH			Irish Ropes	40	
Exch. 12% 1985	£98⅞xd		Jacob (W. & R.)	65	.....
Nat. 9¾% 84-89	£88	+¼	TMG	50	.....
			Unidare	75	

OPTIONS — 3-month call rates

Stock	Rate	Stock	Rate	Stock	Rate
Industrials		Hawker Sidd	38	Vickers	14
Allied-Lyons	15	Hse of Fraser	26	Woolworth Hldg	50
BOC Grp.	27	ICI	42		
BSR	26	"Imps"	12	**Property**	
Babcock	17	ICL	7½	Brit Land	11
Barclays Bank	45	Ladbroke	23	Cap Counties	16
Beecham	32	Legal & Gen	45	Land Secs.	25
Blue Circle	40	Lex Service	40	MEPC	25
Boots	16	Lloyds Bank	50	Peachey	17
Bowaters	25	"Lots"	3	Samuel Props.	12
Brit Aerospace	20	Lucas Inds	35	Sterling Guar	4
BAT	15	"Mams"	14		
Brown (J.)	3	Marks & Spcr	20	**Oils**	
Burton Ord.	22	Midland Bk	36	Brit. Oil & Min	9
Cadburys	11	NEI	10	Brit Petroleum	35
Comm Union	16	Nat West Bk	60	Burmah Oil	17
Courtaulds	11	P & O Dfd	25	Charterhall	9
Debenhams	14	Plessey	20	Premier	6
Distillers	22	Racal Elect	18	Shell	55
Dunlop	5	RHM	8	Tricentrol	20
FNFC	6½	Rank Org Ord	24	Ultramar	60
Gen Accident	42	Reed Intnl	40		
Gen Electric	16	Sears	8	**Mines**	
Glaxo	70	TI	22	Charter Cons.	24
Grand Met	30	Tesco	16	Cons Gold	58
GUS 'A'	55	Thorn EMI	55	Lonrho	12
Guardian	50	Trust Houses	18	Rio T Zinc	60
GKN	20	Turner Newall	10		
Hanson Tst	17	Unilever	75		

A selection of Options traded is given on the London Stock Exchange Report page.

"Recent Issues" and "Rights" Page 43

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a fee of £700 per annum for each security.

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

INSURANCES

Offshore & Overseas—continued

Health Cr Apr 8 $7.08 .... —
Technology Apr8 $18.35 .... —
Qasar Apr 8 $40.30 .... —

Aries Fund Managers Ltd
PO Box 284, St Helier, Jersey. 0534 75177
SterlFdInt £10.23 10.27 .... —

Bamford Brandt Guernsey Mngt Ltd
PO Box 71, St Peter Port, Guernsey. 0481 26541
Tech Cosm £7.40 7.05 .... —
Int Growth $16.25 17.23 .... —
PacBanFd $24.10 25.88 .... —

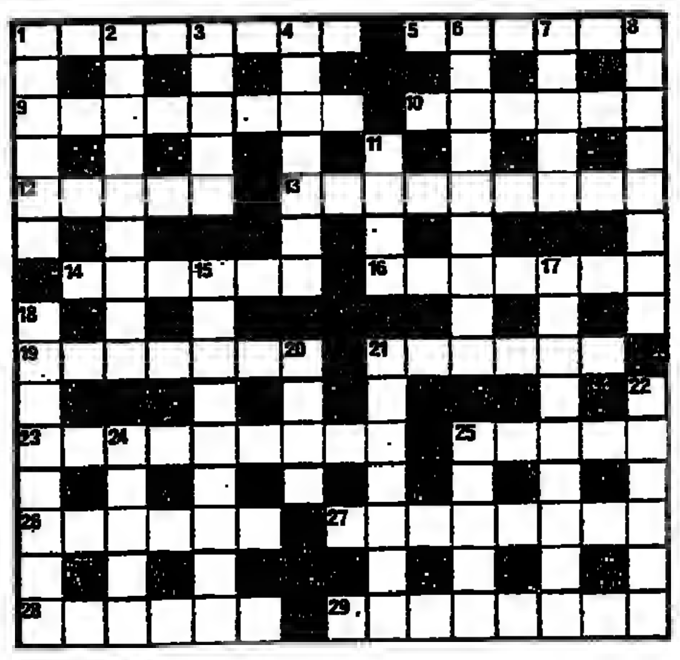
Brown Shipley Tst Co (C.I.) Ltd

Insurances—continued

Money Market Trust Funds

Money Market Bank Accounts

F.T. CROSSWORD PUZZLE No. 5,401



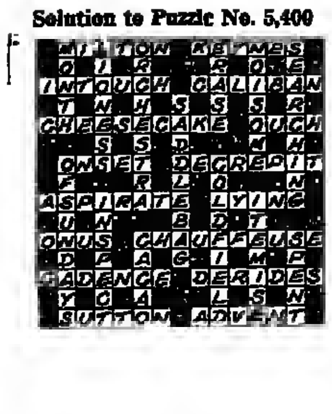
ACROSS

1 Male showing off raincoat to his doctor (8)
5 Knock out some facts about an aircraft (6)
9 Stop being common (4, 2, 2)
10 Personnel on a Scottish isle (6)
12 Complete freedom for cast (5)
13 Recovery in the closing stages by the side (9)
14 Local glass collector (6)
16 Incompetent celebrity (7)
19 and 22 down: Notedly unsafe seats within the party? (7, 6)
21 A steep fluctuation in currency (6)
23 In which to plant bulbs? (5, 4)
25 Bloodsucking profiteer (5)
26 Game admission of defeat (3, 3)
27 Japanese ceremonial departure (4-4)
28 Commonly do (6)
29 They fill much of their working days (8)

DOWN

1 I'm moved with soft musical themes (6)
2 Powerful passages in literature? (9)
3 It may make a topping sweet (5)
4 Mawkish girl takes nothing up (7)
6 Air T-shirt incorrectly and this could result (9)
7 Waste parts of Cornish river (5)
8 Carefully examines any seals broken (8)
11 Astound without ado (4)
15 Show contempt of court! Well, it's not a real court (4, 5)
17 They provide power for gun emplacements (9)
18 Deeply involved with MO when working (8)
20 It makes cloth appear indistinct (4)
21 Convict surrounded by a stack of booty (7)
22 See 19 across
24 It's planted in soil or dug out of it (5)
25 Inclined to sound fast (5)

Solution to Puzzle No. 5,400



INSURANCE & OVERSEAS MANAGED FUNDS

Barclays Life Ass.—Cont.

[illegible]

Black Horse Life Ass. Co. Ltd.

[illegible]

British National Life Assurance Co. Ltd.

[illegible]

Canada Life Group

[illegible]

Cannon Assurance Ltd.

[illegible]

Chieftain Assurance Funds

[illegible]

City of Westminster Assurance

[illegible]

Clerical Medical & Gen. Life Ass. Soc.

[illegible]

Clerical Medical Managed Funds Ltd.

[illegible]

Commercial Union Group

[illegible]

Confederation Life Insurance Co.

[illegible]

Continental Life Insurance PLC

[illegible]

Cornhill Insurance PLC

[illegible]

Credit & Commerce Life Ass. Ltd.

[illegible]

Crescent Life Assurance Co. Ltd.

[illegible]

Crown Life

[illegible]

Crusader Insurance PLC

[illegible]

Eagle Star Insur./Midland Assur.

[illegible]

Equity & Law Life Ass. Soc.

[illegible]

Equity & Law (Managed Funds)

[illegible]

Family Assurance Society

[illegible]

G.T. Management Ltd.

[illegible]

Assicurazioni GENERALI S.p.A.

[illegible]

General Portfolio Life Ins. PLC

[illegible]

Gresham Unit Ass. Ltd.

[illegible]

Growth & Sec. Life Ass. Soc. Ltd.

[illegible]

Guardian Royal Exchange

[illegible]

Hambro Life Assurance PLC

[illegible]

Hearts of Oak Benefit Society

[illegible]

Henderson Administration

[illegible]

Hill Samuel Life Assur. Ltd.

[illegible]

Imperial Life Ass. Co. of Canada

[illegible]

Irish Life Assurance Co. Ltd.

[illegible]

Langham Life Assur. Co. Ltd.

[illegible]

Legal & General (Unit Assur.) Ltd.

[illegible]

Legal & General Prop. Fd. Mgrs. Ltd.

[illegible]

Life Assur. Co. of Pennsylvania

[illegible]

Lloyds Life Assurance

[illegible]

Lloyds Life Assurance—cont.

[illegible]

London A'deen & Nthn. Mtl. Assur. Ltd.

[illegible]

London Indemnity & Gnl. Ins. Co. Ltd.

[illegible]

London Life Linked Assur. Ltd.

[illegible]

London & Manchester Group

[illegible]

M & G Group

[illegible]

Manufacturers Life Insurance Co. (UK)

[illegible]

Merchant Investors Assurance

[illegible]

Multiple Health and Life Assur. Co. Ltd.

[illegible]

NEL Pensions Ltd.

[illegible]

National Provident Institution

[illegible]

New Zealand Sth. Brit. Insce. PLC

[illegible]

Norwich Union Insurance Group

[illegible]

Pearl Assurance (Unit Funds) Ltd.

[illegible]

Phoenix Assurance Co. Ltd.

[illegible]

Pioneer Mutual Insurance Co. Ltd.

[illegible]

Premium Life Assurance Co. Ltd.

[illegible]

Prop. Equity & Life Ass. Co.

[illegible]

Property Growth Assur. Co. Ltd.

[illegible]

Providence Capitol Life Assc. Co. Ltd.

[illegible]

Provident Mutual Life Ass. Assn.

[illegible]

Provincial Life Assurance Co. Ltd.

[illegible]

Prudential Assurance Co.

[illegible]

Prudential Pensions Limited

[illegible]

Refuge Investments Limited

[illegible]

Reliance Mutual

[illegible]

Royal Life Insurance Ltd.

[illegible]

Save & Prosper Group

[illegible]

Schroder Life Assurance Ltd.

[illegible]

Scottish Amicable Investments

[illegible]

Scottish Equitable Life Assce. Soc.

[illegible]

Scottish Mutual Assurance Society

[illegible]

Scottish Widows' Group

[illegible]

Standard Life Assurance Company

[illegible]

Sun Alliance Insurance Group

[illegible]

Sun Life of Canada (U.K.) Ltd.

[illegible]

Sun Life Unit Assurance Ltd.

[illegible]

Target Life Assurance Co. Ltd.

[illegible]

Transinternational Life Ins. Co. Ltd.

[illegible]

Trident Life Assurance Co. Ltd.

[illegible]

TSB Life Ltd.

[illegible]

Tyndall Assurance/Pensions

[illegible]

Vanbrugh Life Assurance

[illegible]

Vanbrugh Pensions Limited

[illegible]

Windsor Life Assur. Co. Ltd.

[illegible]

OFFSHORE AND OVERSEAS

Adig Investment

[illegible]

Albany Fund Management Limited

[illegible]

Andover Futures Ltd.

[illegible]

Arbuthnot Securities (C.I.) Ltd.

[illegible]

B.C.A. Bond Investments AG

[illegible]

Barclays (Overseas) Ltd.

[illegible]

Bank of America International S.A.

[illegible]

Barclays Unicorn International

[illegible]

Bishopsgate Commodity Ser. Ltd.

[illegible]

Bridge Management Ltd.

[illegible]

Britannia Intl. Investment Mngmt. Ltd.

[illegible]

Brown Shipley Tst. Co. (C.I.) Ltd.

[illegible]

Butterfield Management Co. Ltd.

[illegible]

Capital International Fund S.A.

[illegible]

Carter Allen Investment Management (C.I.)

[illegible]

Charterhouse Japhet

[illegible]

Charterhouse Japhet Currency Mngt. Ltd.

[illegible]

Cornhill Ins. (Guernsey) Ltd.

[illegible]

Cortexa International

[illegible]

Craigmount Fixed Int. Mngrs. (Jersey)

[illegible]

DWS Deutsche Ges. F. Wertpapiersp

[illegible]

Delta Group

[illegible]

Deutscher Investment-Trust

[illegible]

Drexel Burnham Lambert

[illegible]

Dreyfus Intercontinental Inv. Fd.

[illegible]

Duncan Lawrie Inv. Mgt. Ltd.

[illegible]

The English Association

[illegible]

Ermitage Management Ltd.

[illegible]

Eurobond Holdings N.V.

[illegible]

S.G. Europe Obligations S.A.

[illegible]

Eurotax Investments Ltd.

[illegible]

Executive Life (C.I.F. Managers Ltd.)

[illegible]

F & C Mgmt. Ltd. Inv. Advisers

[illegible]

Fidelity International

[illegible]

Fleming Japan Fund S.A.

[illegible]

Frankfurt Trust Investment-GmbH

[illegible]

Free World Fund Ltd.

[illegible]

G. T. Management (U.K.) Ltd.

[illegible]

Gartmore Fund Managers Ldn. Agents

[illegible]

Gartmore Fund Management (IOM) Ltd.

[illegible]

Assicurazioni GENERALI S.p.A.

[illegible]

Granville Management Limited

[illegible]

Grindlay Henderson Mngt Ltd.

[illegible]

Guinness Mahon Intl. Fund (Guernsey)

[illegible]

Hambro Pacific Fund Mgmt. Ltd.

[illegible]

Hambros Fd. Mgrs. (C.I.) Ltd.

[illegible]

Henderson Admin. & Man. (Guernsey)

[illegible]

Henderson Baring Group

[illegible]

Hill-Samuel & Co. (Guernsey) Ltd.

[illegible]

Hill Samuel Investment Mgmt. Intl.

[illegible]

HK Fund Managers (Jersey) Ltd.

[illegible]

I.C. Trust Managers Ltd.

[illegible]

N.V. Interbeheer

[illegible]

International Bond Trust

[illegible]

Invicta Investment Management

[illegible]

Jardine Fleming & Co. Ltd.

[illegible]

Kleinwort Benson Group

[illegible]

Korea International Trust

[illegible]

The Korea Trust

[illegible]

Lazard Brothers & Co. (Jersey) Ltd.

[illegible]

Leopold Joseph & Sons (Guernsey)

[illegible]

Lloyds Bank (C.I.) U/T Mgrs.

[illegible]

Lloyds Bank International, Geneva

[illegible]

Lloyds Bank International, Guernsey

[illegible]

Louis Dreyfus Commodity Fund

[illegible]

M & G Group

[illegible]

Midland Bank Tst. Corp. (Jersey) Ltd.

[illegible]

Minerals, Oils Res. Shrs. Fd. Inc.

[illegible]

Samuel Montagu Ldn. Agents

[illegible]

Murray, Johnstone (Inv. Adviser)

[illegible]

Nat. Westminster Jersey Fd. Mgrs. Ltd.

[illegible]

Negit S.A.

[illegible]

N.E.L. International Ltd.

[illegible]

Newport International Management

[illegible]

Normandy Trust Managers Ltd.

[illegible]

Northgate Unit Tst. Mgrs. (Jersey) Ltd.

[illegible]

Pacific Basin Fund

[illegible]

Perpetual UT Mngrs (Jersey) Ltd

[illegible]

Phoenix International

[illegible]

Providence Capitol International Ltd.

[illegible]

Quilter/Reinold Commodities

[illegible]

Rea Brothers (IoM) Ltd

[illegible]

Richmond Life Ass. Ltd.

[illegible]

Rothschild Asset Management (C.I.)

[illegible]

Rothschild Australia Asset Mgt Ltd.

[illegible]

Royal Bank of Canada Funds

[illegible]

Royal Trust Intnl. Fd. Mngt. Ltd (a)

[illegible]

SCI/Tech S.A.

[illegible]

Save & Prosper International

[illegible]

J. Henry Schroder Wagg & Co. Ltd.

[illegible]

Schroder Unit Trust Mgrs. Int. Ltd.

[illegible]

Scrimgeour Kemp-Gee Mngmt., Jersey

[illegible]

Securities Selection Ltd.

[illegible]

Sentry Assurance International Ltd.

[illegible]

Singer & Friedlander Ldn. Agents.

[illegible]

Strategic Metal Trust Mngrs. Ltd.

[illegible]

Stronghold Management Limited

[illegible]

Surinvest (Jersey) Ltd.

[illegible]

TSB Trust Funds (C.I.)

[illegible]

Tokyo Pacific Holdings N.V.

[illegible]

Tokyo Pacific Hldgs. (Seaboard) N.V.

[illegible]

Tyndall Bank (Isle of Man) Ltd.

[illegible]

Tyndall Group

[illegible]

Tyndall International Assurance Ltd

[illegible]

M. C. Tyrell & Co. Ltd.

[illegible]

Unico Invest Fd Mgt Co SA Lux

[illegible]

Union-Investment-Gesellschaft mbH

[illegible]

Vanbrugh Fund Mngmt. Intl. Ltd.

[illegible]

S. G. Warburg & Co. Ltd. and Subsidiaries

[illegible]

Wardley Investment Services Ltd.

[illegible]

WestAcre Secs (Guernsey) Ltd

[illegible]

World Wide Growth Management

[illegible]

Wren Commodity Management Co. Ltd.

[illegible]

NOTES

[illegible]

International Corporate Finance

Major Australian Investment Bank

The City — **£40,000 neg.**

Our client is one of Australia's leading and innovative investment banks who have earned an enviable reputation in their field. They have an established and expanding international presence, and are enjoying rapid profitable growth.

As a senior member of their London Management, the role will require a significant contribution to the Group's International Corporate Advisory Services. The firm has an impressive portfolio of clients and the appointee will play a major part in continuing their programme of marketing expansion.

The need is for a Senior Corporate Finance specialist with sound experience of *mergers, acquisitions and restructurings*. Particular emphasis will be placed on marketing ability and a well developed knowledge of the London market is essential. It would be an added advantage if applicants had some working knowledge of the Australian Corporate Market.

The rewards are significant and will be sufficiently negotiable, and success in this role could result in admittance to the partnership.

A representative from Australia will be in London from 8 – 18 May. Please write initially to Colin Barry (Ref. No. 539) at Overton Shirley & Barry (Management Consultants), Prince Rupert House, 64 Queen Street, London EC4R 1AD. Telephone 01-248 0355.

Overton Shirley and Barry OSB

U.K. Economist

Up to £17,500 + benefits

Prudential Portfolio Managers, a subsidiary of the Prudential Corporation is widely recognised to be a major force in the UK capital markets. This is a result of not only the outstanding size of our funds under management, around £15,000m, but also the level of our activity backed by an extensive in-house research team.

A vacancy has arisen for an experienced and capable economist to work within a small team of economists and financial analysts. You would shoulder considerable responsibility for monitoring and forecasting developments in the U.K. economy with particular emphasis on implications for domestic capital markets and the investment strategies required for our funds. A creative approach is needed along with strong communication skills.

Ideally aged mid to late twenties, you should have at least a good economics degree with a minimum of three years' relevant experience.

Our terms and conditions of employment *are first class and* additional benefits include such things as a non-contributory pension scheme and subsidised mortgage facilities.

Please write in confidence, with a curriculum vitae, to:- Mark Fielder, Personnel Executive, Prudential Corporation, 142 Holborn Bars, London EC1 2NH.

Prudential Portfolio Managers Limited

A member of the Prudential Group

Financial Mail Sales Managers

£17,500-£21,600

The Post Office wishes to recruit two experienced senior professionals to the posts of *Financial Mail Sales Managers. These key posts are located at Post* Office Headquarters, London, in the National Accounts Branch of Royal Mail Marketing, and will be responsible for the management of the immediate and long term relationships between the Post Office and a number of its major customers in the **Banking** and **Insurance** sectors respectively.

The people appointed to these posts will join a young and enthusiastic marketing team. They will be responsible for sales to Major Customers in the Banking and Insurance sectors, thus experience of these areas would be a distinct advantage. They will also be expected to undertake negotiation of contract terms; development of customer profiles; market forecasts and also to ensure good business relationships between the Post Office and its customers.

The appointees will become senior members of the marketing organisation, which is dedicated to developing and promoting postal services in an era of change and increasing competition. Motivation, flair and energy and the ability to integrate effectively into a very large organisation are essential for these jobs, although appropriate familiarisation training will be provided.

Applicants should be able to demonstrate an in-depth background in marketing and sales, in particular a successful record of sales achievement to large organisations. They will have to be good communicators and be able to earn the respect of both customers and Post Office managers.

Starting salary will be within the range quoted (which includes a London *Allowance of £1360). There is an excellent leave allowance and a contributory* pension scheme.

Please write for an application form, quoting ref FT, To Mr. R. B. Langford, MR1.2, Room 329, Post Office Headquarters, St. Martins-le Grand, LONDON, EC1A 1HQ (tel: 01-432 4683).

The closing date for applications is 21 days from publication.

The Post Office is an equal opportunity employer.

The Post Office

Panmure Gordon & Co.

PRIVATE CLIENTS DEPT.

Fully-trained, experienced person required to work closely with Partner with view to increasing autonomy.

With an ideal age of 26-34, this is an additional post in an expanding Department, and will involve the successful applicant in all aspects of handling Private Cient portfolios.

Please reply to:—

G. F. Hallwood, Personnel Manager,
PANMURE GORDON & CO.,
9, Moorfields Highwalk, London, EC2Y 9DS.

Robert Fleming

Institutional Marketing

An opportunity has arisen for an energetic young executive to join Robert Fleming's investment team specialising in investment management.

The role is to market the Group's overseas portfolio management services to U.K. institutions with a special emphasis on Japan. Substantial overseas portfolios are already under management and these are constantly being developed.

A knowledge of U.K. institutions and overseas stockmarkets would be desirable, although not essential for the right person. It is unlikely, however, that those under the age of 27 years will have gained the necessary experience we seek.

A full salary package commensurate with relevant experience is available.

Applicants, of either sex, should write enclosing their curriculum vitae to: Frank Smith,
Robert Fleming & Co. Limited, 8 Crosby Square, London EC3A 6AN. Tel: 01-638 5858.

ASSISTANT CREDIT MANAGERS

FINANCE INDUSTRY

Manufacturers Hanover Finance has been formed as a result of the merger of Manufacturers Hanover Industrial Finance Limited and MH Credit Corporation Limited, two affiliate companies of Manufacturers Hanover Trust Company. The newly structured company will handle the whole range of the UK instalment credit activity. It is now looking to expand the Credit Department with the addition of two new officers, to be based at Epsom, Surrey.

Assistant Credit Manager

Reporting to the Credit Manager. This position will be mainly concerned with the evaluation and risk analysis of new business proposals involving regular contact with the company's marketing officers and existing and prospective customers. The ability to package complicated transactions for presentation to the Credit Committee is essential.

The candidate should ideally be a graduate with at least 5 years experience in the credit area of a major bank or financial institution. Formal American bank credit training would be an advantage.

Assistant Credit Manager (Portfolio Administrator)

Reporting to the Credit Manager. This position will involve responsibility for existing portfolio maintenance through regular review and portfolio analysis. You will also have responsibility for the contract administration function including the review of documentation and liaison with legal counsel and marketing officers.

The candidate should have several years' experience of loans administration preferably gained in a UK clearing bank.

Both positions carry a competitive salary, subsidised mortgage and other benefits usually associated with a bank affiliate.

Please write in confidence, giving full details to:
Mrs. R.M. Pewtress,
Personnel Manager,
50 East Street, Epsom, Surrey KT17 1HQ.

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  UK Conglomerate.
  Circa £45,000
- **Financial Controller**
  US Multinational
  Circa £26,000
- **Accountant/ DP Consultant**
  Middle East Oil Exploration
  Circa £70,000
- **Treasury Manager**
  UK Multinational
  Circa £25,000
- **Manager–Corporate Finance**
  Merchant Bank.
  Circa £40,000

If you wish to know more about these positions or to be advised of other exceptional opportunities as they arise, write in confidence to George Henderson or Stuart Adamson, Grosvenor Stewart Limited, 62 Pall Mall, London SW1. Telephone 01-930 7966.

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Active in brokerage, investment banking and merchant banking, our client has built up a major securities business operating through an international network of offices. The London operation is well established and growing rapidly and already has a substantial base of equity related and other bond activities.

As part of their planned expansion, young, bright executives are sought to play an important role in warrant, convertible and Euro/Yen trading. The successful applicants will be in their early/mid twenties and have at least 1/2 years trading experience, possibly in Eurobonds, stockbroking or investment. Highly competitive salaries are on offer and those interested should contact **Nick Waterworth on 01-404 5751** or write to him at Banking and Finance Division, 23 Southampton Place, London WC1A 2BP quoting reference 3384. Total discretion assured.

Michael Page Partnership
International Recruitment Consultants
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Birmingham Manchester Leeds Glasgow

Assistant Treasurer

Windsor, Berks — **£13,000 + car + mortgage**

Our client is the UK subsidiary of a major US multinational finance group, which provides commercial and consumer financing and insurance through a network of offices worldwide.

Reporting to the Treasurer, a young professional is required at the UK headquarters to assist in a wide range of treasury activities to include:-

- ★ Funding and cash management
- ★ Bank calling programme
- ★ Monitoring of liquidity and gearing
- ★ Dealing on a daily basis

Applicants, aged 23-28, will be graduate calibre with previous experience in a banking/treasury or accounting role. The position offers an outstanding opportunity for a self confident and numerate individual to develop a treasury career. Consequently, prospects are excellent for candidates possessing a high degree of personal initiative and the potential to grow significantly on a parallel with the company's projected expansion.

Candidates should write to John Sheldrake, Executive Division, enclosing a comprehensive curriculum vitae, quoting ref. 118, at P.O. Box 143, 31, Southampton Row, London WC1B 5HY.

Michael Page Partnership
International Recruitment Consultants
London New York
Birmingham Manchester Leeds Glasgow

Executive Assistant to the Chairman

International Brokerage House

A key member of one of the world's largest International Insurance Broking Groups, our client is a UK company that has achieved exceptional growth in recent years and is now regarded as one of the leaders in the field.

The concomitant enlargement of the Chairman's responsibilities and work-load has created the need for a high-calibre Assistant, a multi-talented personality who will undertake a wide variety of executive functions on his behalf, both at home and overseas.

Though a highly attractive role, you'll find it involves plenty of hard work and long hours. Poise and confidence are essential to coping with the non-stop pace and success-oriented atmosphere that surrounds the Chairman's office.

Amongst your talents you should count a clear head and quick mind – needed to assimilate a constant flow of business information and to prepare written and oral briefs. Your repertoire should also include a flair for meeting and liaising with senior executives both within the Company and externally, together with highly developed communication skills and a diplomatic nature.

With a good Honours degree, ideally in economics, and aged in your mid 20's to early 30's, you should also hold an MBA or equivalent qualification. Previous experience should have been gained in the Insurance World, although Banking, Finance or a related environment would be equally acceptable.

The company offers a highly competitive salary c£15,000, excellent fringe benefits and outstanding career prospects.

Please write, in confidence, with full details of your career to date to Sue Thomas at the address below. List on a separate sheet any companies to which your application should not be forwarded.

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LONDON

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A graduate or equivalent, ideally with an MBA, male or female, aged 30-40. Must have ten years' commercial/industrial experience, including a significant period in business planning. This experience will have been gained in large multi-national organisations at functional, divisional or corporate levels.

An outstanding career opportunity with a leading UK based international corporation.

Remuneration comprises salary plus company performance bonus. Fringe benefits include contributory pension, company car, medical/life cover and relocation expenses.

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Marketing Manager

The Special Finance Group of a major U.S. Bank seeks a Marketing Manager to assist in the development of the Group's international asset-based financing business. The Group is based in London, but pursues business worldwide.

Applicants should have around 2 to 3 years' experience of marketing, structuring, and negotiating UK and/or international big-ticket leases. Corporate finance experience would be an advantage, as would a legal or accountancy qualification, but these are not indispensable requirements.

The position calls for creativity and flexibility, *and some* international travel will be necessary. The successful applicant will work independently with minimal supervision in an informal but very active environment.

The bank offers the range of benefits normally associated with UK financial institutions, and salary will reflect the importance of the position.

Candidates who feel that they have the right qualities for this job should apply in writing with a detailed cv to PO Box A8581, Financial Times, 10 Cannon Street, London EC4P 4BY.

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Personal assistant required for private client department of stockbrokers. Candidates should preferably have experience of handling client portfolios and talking to and dealing for private clients. Male or female.

Write to: Michael Barnard, A. J. Bekhor, 12A Finsbury Sq, London EC2, or Tel: 01-638 6545

Director of Overseas Marketing

International Fund Management

£50-75,000

Our client is one of the most highly regarded Investment organisations in the City with several overseas offices and massive international funds under management. The investment performance record fully reflects an outstanding in-house research ability.

To build on this success the company now wishes to intensify its fund management marketing to institutions abroad by recruiting a person with international sales experience at senior levels, capable of attracting new fund management business.

In addition to having experience of developing investment services and management of ERISA funds, the ideal candidate will already have a considerable reputation in international finance.

This is a very senior new appointment and guaranteed initial remuneration is expected to be well in excess of £50,000.

Please reply, in confidence, with full details to Colin Barry, Senior Partner, (ref 537) Overton Shirley and Barry, (Management Consultants), Prince Rupert House, 64 Queen Street, London EC4R 1AD. Tel: 01-248 0355.

Overton Shirley and Barry

Investment Manager Private Clients

The expansion of our Private Clients Department has created an opening for an ambitious young man or woman who has around 5 years' experience of portfolio management, preferably international, with strong emphasis on Private Client work. The appointed candidate will join the Department management team and immediately assume responsibility for managing portfolios as well as undertaking some investment research.

The position offers a competitive salary and benefit package that includes a subsidised mortgage, BUPA, non-contributory pension and free life assurance.

Interested applicants should write enclosing full personal and career details to:

Gareth Hughes, Personnel Officer, Kleinwort, Benson Limited, 20 Fenchurch Street, London EC3P 3DB.

Kleinwort Benson *The International Merchant Bank*

Commercial/Marketing Director

Home Counties

Our client, a world leader in air movement technology, seeks, as a result of an internal group promotion, a forward-looking Commercial/Marketing Director whose prime task will be to maintain and improve their market position in an increasingly cost conscious and competitive environment.

Reporting to the MD, responsibility will be for all commercial, marketing, sales and service aspects of the company, including its European subsidiaries. Particular emphasis will be on the identification of new markets and products so a proven track record in this area is essential, together with well-developed man-management and leadership skills.

Candidates should ideally have profit responsibility in a senior capacity and the stature, breadth of experience and professional qualifications to operate at Board level in this demanding and challenging role.

Salary is negotiable. Excellent benefits include 'executive' level car and relocation assistance.

Please write with full C.V. These will be forwarded direct to our client. List separately any companies to whom your application should not be sent. M. Hordern, ref. B.1624.

This appointment is open to men and women.

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CONFIDENTIAL ADVERTISING

Institutional Sales

Oils

Our client, a major firm of stockbrokers with expanding business in most areas, seeks an experienced Equity Sales Executive to market their Oils sector research products.

Candidates will have at least two years' sales experience and ideally, some knowledge of Oils, however an interest in the sector and first class communicative skills are essential.

Working with an established and successful analytical team, the position involves selling first class research to UK institutions and may well appeal to those at partnership level within another firm.

The remunerative package will include a good basic salary plus bonus and will be made attractive to the right individual.

Please contact Stephen Embleton, who will treat all responses in the strictest confidence.

Stephens Associates

International Recruitment Consultants

44 Carter Lane, London EC4V 5BX. 01-236 7307

Investment Sales Manager

The LAS Group has a strong investment record led by LASPEN which is the best performing Pensions Managed Fund over the last 6 years.

We are looking for a successful investment salesman who will take responsibility for LASPEN sales nationally but who can also help the Group in its plans to move quickly from its mainly insurance base into unit trusts and investment-led financial services in general.

A good sales record and in-depth investment knowledge are essential. A Unit Trust, Banking, Insurance or Stockbroking background might provide the level of knowledge and personal presence needed.

The position will probably be Edinburgh based and the financial package will reflect the calibre of the person we seek.

The Life Association of Scotland Limited

All replies in confidence to: Laurence Warburton, National Sales Manager, The Life Association of Scotland Limited, 10 George Street, Edinburgh, EH2 2YH. Tel. 031-225 8494.

Public Relations Executive

Brussels

ITT is a multinational company with considerable strengths in Europe in a diversity of product and service areas. Setting the standard with a complete range of technologically superior products makes ITT one of the few world-class companies in the telecommunications business. Our European headquarters are in Brussels from where we coordinate our activities in Europe, Africa and the Middle East.

Our Corporate Relations and Advertising Department now needs to supplement its strengths with a PR all rounder who will join a small team. As Manager Public Information our new colleague will have responsibility for publications, films and audio visuals, contacts with outside bodies such as the EEC, OECD and UN agencies and will participate in our press and media relations programs.

Candidates should have a sound background in Public Relations, embracing the above activities, have English as mother tongue and a second language capability, preferably French or German. Extensive journalistic experience will be a major asset. Equally important is a congenial personality, a flexible work approach and a willingness to become totally committed and involved. The likely age range is 30-45.

Since this position will have high visibility both within and outside the corporation remuneration is unlikely to be an obstacle in attracting the desired level of excellence.

Please send your resumé, including current salary and contact phone number to:
Paul Sleigh, Manager Staffing, ITT Europe Inc., Avenue Louise 480, 1050 Brussels, Belgium.

ITT

Investment Manager

Geoffrey Morley & Partners is one of the leading independent pension fund managers, with total assets under management of £1¼ billion.

We are seeking an additional investment manager with two to three years experience of either analysis or fund management. The appointment will be of interest to those who are keen to take on more responsibility and the successful candidate can expect to be involved in day to day management of investments in a short space of time. A good degree or professional qualification is essential.

The firm is run on entrepreneurial lines and is wholly owned by the Directors. Remuneration will be competitive.

Applications, enclosing C.V., should be addressed to Mr. N. Pilkington, Chairman.

GMP

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Telephone 01-405 4151-4

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Yorkshire, to £30,000 + car

A substantial plc (t/o £150m) has taken the decision to expend by acquisition and has earmarked adequate funds to carry out this policy in the UK and possibly the USA. They now wish to appoint a practical acquirer who can research, identify, investigate, evaluate, propose, negotiate, purchase and integrate — this is not a job for a Head Office Planner. Candidates should be aged middle/late 30's, graduates or professionally qualified and with at least 4 years' practical experience of acquisitions, ideally gained in industry. They must be sound commercially, self-sufficient and capable of generating Board confidence. Success in this role will present excellent career opportunities within the Group.

J.R. Featherstone, , Ref: 12298/FT. Male or female candidates should telephone in confidence for a Personal History Form 0532-448661, *Minerva House, East Parade,* LEEDS, *LS1 5RX.*

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M.W. Marshall (Sterling) Limited,
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COLIN KELSEY, EASTERN GROUP MANAGER on 01-902 8876.

JOHN TURNER, NORTH & WEST GROUP MANAGER on Liverpool (051) 709 6227.

Or write to JOHN BIRD, GENERAL SALES MANAGER, Cannon Assurance Limited, 1 Olympic Way, Wembley, Middlesex, HA9 0NB.

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Our specialist service company with thousands of personnel clients is planning to enter recruitment, search and selection consultancy. We seek a managing director to plan, develop and drive the company to professional and financial success. Investment or options available. For obvious reasons we wish to remain anonymous at this stage. But your full cv, with home phone number please, will only ever be seen by me.

Location London - Preferred age 35-50

The Group Chairman, Box A8686, Financial Times 10 Cannon Street, London EC4P 4BY

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These new openings, caused by expansion, call for successful commodities brokers with thorough knowledge of U.S. and London commodities markets, who already have an established sound client base with good credit ratings. They should be currently generating $200,000 gross brokerage commissions per year. The selected brokers will be responsible for developing clients from their own prospect lists company advertising and mailing campaigns and be capable of servicing international clients whilst based in Brussels. A second spoken European language will be an added advantage. Daily in-house computerised technical trading systems with high profit potential are available to our brokers. Essential qualities are self motivation, a high level of drive and a desire to achieve top earnings. Initial commission earnings are likely to be in the range of $60,000-$90,000 with favourable tax structure possibilities. Applications in strict confidence under reference CBR15558/FT will be forwarded unopened to our client, unless you list companies to which they should not be sent in a covering letter marked for the attention of the Security Manager:

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Open to a prime mover—scope for a directorship and for equity participation in 12-24 months

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CAMPBELL-JOHNSTON ASSOCIATES (MANAGEMENT RECRUITMENT CONSULTANTS) LIMITED,
35 NEW BROAD STREET, LONDON EC2M 1NH.
TELEPHONE: 01-588 3588 or 01-588 3576. TELEX: 887374. FAX: 01-638 9216.

Please only contact us if you are applying for any of the above positions

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PK CHRISTIANIA BANK (UK) LIMITED

The Bank has been established in London for two years and as part of our planned process of expansion, we are currently looking for top quality men or women to help expand our team, which presently numbers seventy people.

Marketing Officers – Norway and Sweden

We are looking for two graduates ideally aged 25-35 years, with fluency in one of the Scandinavian languages, both oral and written, with all round experience of banking, finance or industry, including knowledge of Scandinavian law and business practice and regulations.

Duties will include development of business opportunities with companies in Norway and Sweden, in co-operation with our shareholders as well as developing and maintaining close relationships with U.K. subsidiaries of Scandinavian companies.

The officers will be London based, but extensive travel throughout Scandinavia is required.

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The person we are looking for will be aged 28-35 years, a graduate with fluency in one of the Scandinavian languages, both oral and written, with all round experience of banking, finance and the shipping industry. Applicants should have a good knowledge of Scandinavian accounting, law, business practice and regulations.

Duties will include development of business opportunities with shipping companies in Scandinavia, in co-operation with our shareholders as well as developing and maintaining close relationships with UK and international subsidiaries of Scandinavian shipping companies.

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In all cases a comprehensive and highly favourable remuneration package will be offered to the successful candidate. Please reply in writing, enclosing a detailed C.V. to Mr. Gunnar Ljungdahl, Managing Director, PK Christiania Bank (UK) Limited, 49/51 Bow Lane, London EC4M 9HB.

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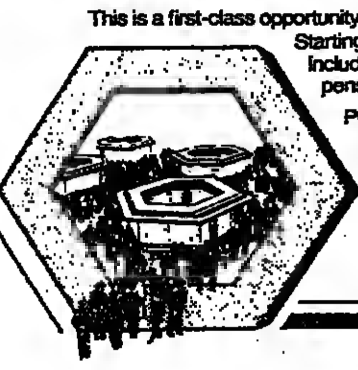

The Stock Exchange

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01 623 1266

COMMODITIES AND AGRICULTURE

Sharp fall for copper on London exchange

COPPER PRICES fell sharply for the second day on the London Metal Exchange yesterday. The higher grade cash price dropped £34.5 to £1,050 a tonne, making a loss of more than £50 since the market re-opened after the Easter holiday.

Traders were at a loss to explain the reasons for the sudden downturn in a market which before Easter seemed to be gathering strength. Yesterday's decline in London was triggered by the weak trend in the New York (Comex) copper market overnight. There was reported to be heavy speculative selling by followers of charts and computer based funds.

The smaller than expected fall in the exchanges warehouse stocks last week, and reports of declining demand for metals in the U.S., are claimed to have undermined sentiment just at a time when the market was overbought and vulnerable to a reaction.

At the same time, it was noted that the market is now entering the seasonally quiet period during the summer months when demand is normally at a low ebb.

However, other base metals were reasonably steady. Aluminium initially followed copper down but rallied in later trading. Lead and nickel were only marginally lower and zinc closed slightly higher.

Tin values continued to move ahead on further support buying by the buffer stock of the International Tin Council, which seems determined to push London closer in line with the Penang market, where the Straits tin price remains anchored on the International Tin Agreement "floor" of $M29.15 (£520) a kilo.

Hopes rise for NZ butter entry

BY RICHARD MOONEY

THE SIGNS are hopeful that Ireland could soon drop its opposition to the EEC granting long-term access for New Zealand dairy products, Mr J. T. Graham, chairman of the New Zealand Dairy Board, said in London yesterday.

Mr Graham said he detected "a degree of movement on the Irish part" at talks on Tuesday with the Irish Dairy Board in Dublin.

An EEC Commission proposal for New Zealand to be allowed to import 83,000 tonnes this year, dropping to 75,000 tonnes by 1988, has been accepted by nine EEC member-states, but Ireland has refused to give its approval.

Mr Graham said he hoped the special treatment given to Ireland under the Community's milk production quota scheme would encourage the Irish Government to accept the proposal. He pointed out that in approving the access package New Zealand had already dropped below the 87,000 tonnes a year import level it previously regarded as its "bottom line."

"We are prepared to accept that position rather than continue into debate year after year over levels of access." The current practice of granting short-term "roll-overs" was commercially impractical.

On his recent tour of EEC capitals, Mr Graham said he got the impression that "there is a feeling in Europe that they have been a little unreasonable to New Zealand — that includes the Irish."

He pointed out that since Britain joined the EEC, New Zealand butter imports had been cut from 165,000 tonnes a year to 87,000 tonnes while cheese imports had almost halved to 9,000 tonnes.

New Zealand has diversified its exports as much as possible but had run out of scope for developing new markets.

Relying on the Irish sense of fair play and justice

BY DAI HAYWARD IN WELLINGTON

NEW ZEALAND finance minister Mr Warren Cooper will be looking to the Irish sense of fair play and justice to honour previous agreements on New Zealand butter access to Europe — including the Dublin agreement—during his visits to EEC capitals this week.

New Zealand believes only the Irish now stand in the way of ending the monthly roll-over figures for lamb in favour of a negotiated five-year agreement for both lamb and butter.

Mr Cooper has two aims. One is to get agreement for New Zealand to supply 83,000 tonnes of butter and 245,500 tonnes of lamb and mutton to Europe this year. This would include a 10 per cent increase in the amount of sheep meat allowed into France.

Second, Mr Cooper wants a guaranteed five-year period of access for butter and lamb. This would eliminate the present stop-go arrangements.

Five-year access for butter would reduce the 83,000 tonnes, recommended by the European Commission during this calendar year, to a minimum of 75,000 tonnes in 1988.

Mr Cooper says this would set a reasonable level of access for a period beyond 1988.

New Zealand is fairly confident it will win agreement to continue supplying the 245,500 tonnes of sheep meat

Price surge for potato futures

PRICES SURGED ahead again on the London potato futures market yesterday. The May position gained £13 to £223.50 a tonne and there were similar gains in other positions.

Traders said the continued hot weather brought renewed concern about drought affecting the new crop, to be harvested later this year. Speculative buying was also encouraged by reports of low stock levels in Britain and Holland.

Ironically the weekly Potato Marketing Board report showed that potato prices on the UK physical markets eased slightly last week with an average producer price of £186.19 a tonne against £187.67 the previous week. However, prices at the same time last year were less than £50 a tonne.

● NEWCASTLE DISEASE (fowl pest) vaccine should not be permitted for use against the outbreak in chickens of pigeon virus, according to the British Veterinary Association. In a statement the association says the present infection is different from earlier outbreaks of classical Newcastle Disease. It says there is no scientific evidence that existing vaccines would protect laying birds from the drop in egg output resulting from the pigeon virus.

● DALGETY AGRICULTURE has appointed a team of six to help develop the group's seed business. Dalgety, which claims to be the market leader in the seed trade following its merger with RHM Agriculture, said it will launch a new seed brand shortly.

● THE U.S. Commodity Futures Trading Commission claimed several deficiencies remained in the Chicago Board of Trade's audit and financial surveillance programme. A report by the commission's division of trading and markets said the Board of Trade had taken action to end most of the deficiencies and urged the exchange to meet the commission's rules fully.

Canute James looks at the Caribbean bauxite industry

The revival which never happened

THE MODEST hopes held by Caribbean bauxite producers that signs of an increase in demand for aluminium would lead to increased demand for ore, have been dampened.

As recently as six months ago the producers were readying themselves to take advantage of opportunities to significantly increase shipments in the last half of this year, after three years of falling earnings from the industry.

Some will record marginal improvement, but the days when the Caribbean produced a major share of the world's bauxite have gone.

The metals companies have been looking elsewhere for their supplies. Despite the region's proximity to the major market, the U.S., it cannot compete with other sources of the ore.

Twenty years ago Caribbean bauxite producing countries accounted for 45 per cent of world production. Ten years later their share fell to 30 per cent and last year to 19 per cent.

"The problem for the Caribbean," said an official of one of the North American companies operating in the region, "is that the industry is finding it cheaper to deal with sources where production costs are lower.

"If we can find areas where ore deposits are close to abundant local—and hopefully cheap—energy, then those countries have a distinct advantage in our operations.

"In addition to this, with the weak market we have just experienced, production levies, such as those in place in Surinam and Jamaica, have traditionally been a disincentive to expansion and, in some cases, have moved the industry to curtail activities in the region."

This attitude is reflected in the case of the Dominican Republic. The country has produced at times up to a million tonnes of ore per year, but the Aluminum Company of America has terminated its operations there. The company just does not need the ore.

"We have returned our bauxite mining concession to the Government of the Dominican Republic," said Mr Daniel Hillen, manager of international public relations for the company.

"We have had to abandon bauxite mining in the country and we have not shipped any ore for the past 18 months."

The recent strike in the industry in Suriname, once the world's fifth largest producer, has left the industry in little condition to take advantage of any improvement in the market.

Output has fallen from an average of 4.5m tonnes per year to less than 3m tonnes. The industry is run by the Suriname Aluminium Company, a wholly-owned subsidiary of Alcoa, and Billiton, a subsidiary of Royal Dutch Shell.

Suralco traditionally smelted for Billiton its 1.2m tonne per year plant, but the American company recently sold half its interest in the refinery to Billiton.

"Suriname continues to be an important part of Alcoa's operations," Mr Hillen said, "and we will continue attempting to make our operations there competitive."

However, industry sources in Paramaribo, Suriname's capital, said there was little prospect of any meaningful expansion in the near future. The optimism which accompanied ambitious plans to open up what were thought to be massive deposits of high grade ore in the Bakhuis mountains have been abandoned in light of indications that ore quality and quantity are less than promised.

Across the border in Guyana, there are firm signs of recovery in the industry in the first quarter of this year.

The state-owned Guyana mining enterprise reported that between January and March ore production totalled 333,942 tonnes, giving hope that this year's target of 1.5m tonnes can be met.

With production last year at 1.07m tonnes, the industry lost about $45m (£32m).

The government is studying reports by two companies—U.S. Engineers and Consultants Inc. and Kaiser Aluminium Technical Services—on the possible reorganisation of the industry.

The industry in Jamaica, the world's third largest producer, has been having mixed fortunes. Government projections of output of 12m tonnes of ore by last year were embarrassed by actual production of 7.7m tonnes.

The fall in demand forced the five North American companies operating in the island to cut mining and refining.

Moscow may take up W German surpluses

BY LESLIE COLITT IN BERLIN

WEST GERMANY hopes to boost exports of its growing agricultural surpluses to the Soviet Union after a slump in sales to Moscow in the past two years.

Mr Alexei Gulienko, the deputy Agriculture Minister, has held talks in Bonn with the West German Agriculture Ministry on the prospects.

West German agricultural exports to the Soviet Union reached a peak of DM 945m (£252m) in 1981 with grain accounting for half the amount sold. Since then, Soviet purchases of West German agricultural products have fallen, to DM 570m last year.

The Agriculture Ministry said more EEC grain bought up under the intervention price support scheme could be sold to Moscow this year, "regardless of whether it is West German or French."

West German sales of flour, meat, dairy products, salt and sugar to Moscow have also dropped, although not as steeply as grain. The reason, a ministry official said, is that Moscow mainly buys in the West when there are gaping holes to be plugged in the supply of certain scarce foods. Otherwise, the Soviets are aiming to produce more food using Western machinery.

The Soviet Union has proposed to the West Germans that they establish a sugar beet demonstration project on 1,000 hectares of Soviet farmland. Moscow would finance the project, buying the needed equipment in West Germany.

Soviet officials said in talks with the West Germans that the German equipment they previously imported for sugar beet production had not functioned satisfactorily. They now wish to be shown how the Germans use it.

Experts in the Soviet delegation studied West German methods of winter wheat production, in particular the leaving open of a passage between planted rows to allow equipment to pass through without damaging crops. The Russians said that in the Soviet Union large tractors damage a considerable portion of the crop because of too close planting.

PRICE CHANGES

In tonnes unless stated otherwise	Apr. 25 1984	+ or —	Month ago
Metals			
Aluminium	£1100	......	£1100
Free Mkt	$1410/1440	......	$1440/470
Copper			
Cash h Grade	£1050	—34.5	£1063
3 mths	£1069.25	—33	£1078.75
Cash Cathode	£1048	—56	£1063
3 mths	£1062	—34.5	£1074.5
Gold troy oz.	$382.75	—1	$386.25
Lead Cash	£329.6	—2.8	£333.5
3 mths	£337.25	—3.25	£338.25
Nickel	£4896	......	£4836
Free Mkt	217/237c	......	218/238c
Palladium oz.	$155.00	+3.5	$162.25
Platinum oz.	$246.20	—1.20	$270
Quicksilver†	$315/318	......	$305/315
Silver troy oz.	655.20p	—5.45	651.75p
3 mths	669.10p	—5.40	665.95p
Tin cash	£8905	+37.5	£8566
3 months	£8906.5	+87.5	£8664.5
Tungsten	$83.61	......	$78.36
Wolfram 22.04lb	$84/88	......	$84/88
Zinc	£706.5	+2	£736.6
3 mths	£699.5	+7	£722.75
Producers	$1050/1080	......	$1050/1080

	Apr. 25 1984	+ or —	Month ago
Oils			
Coconut (Phil)	$1200v	+25	$1173
Groundnut	‡	......	‡
Linseed Crude	‡	......	‡
Palm Malayan	$860	......	$705
Seeds			
Copra Phil.	$780v	......	$760
Soyabean (U.S.)	$327v	—0.75	$316.2
Grains			
Barley Fut. Sep.	£106.90	......	£106.68
Maize	£148.75	......	£147.50
Wheat Fut. Jly.	£128.50	—1.25	£128.25
No2 Hard Wint	‡	......	‡
Other commodities			
Cocoa ship't*	£1971	+12	£1872
Futures Jly	£1906.5	+12.5	£1816
Coffee Ft. Jly	£2056	—18	£1993.5
Cotton A index	89.30	......	88.45c
Gas Oil May	$246	—0.50	$249.75
Rubber (kilo)	73p	—1.50	76.8p
Sugar (raw)	£112	+2.50	£115
Woolt'ps 64s	470p kilo	......	486p kilo

‡ Unquoted. v May. z June. y April-May. w May-June. † Per 76 lb flask. * Ghana cocoa. n Nominal. c Cents per pound.

LONDON OIL

The market remained unaffected by neutral oil figures and drifted lower during the day. New York came under pressure during the afternoon which caused prices to slide in London, particularly towards the close, when June dropped further still, reports Premier Man.

PRODUCTS—North West Europe ($ per tonne)

Premium gasoline	274-276	—1
Gas Oil	247-249	—1
Heavy fuel oil	181-186	—

SPOT PRICES

	Latest	Change + or —
CRUDE OIL—FOB ($ per barrel)		
Arabian Light	28.30-28.56	—0.05
Iranian Light	27.80-27.90	+0.05
Arab Heavy	26.65-27.00	—
North Sea (Forties)	29.66	—0.02
North Sea (Brent)	29.75-30.05	+0.03
African (Bonny Li'ht)	30.05-30.10	+0.02

GAS OIL FUTURES

Month	Yest'day's close	+ or —	Business Done
	$ U.S. per tonne		
April	245.00	—1.50	240.50-245.5
May	243.00	—0.50	243.50-242.5
June	241.75	—2.00	245.25-241.0
July	242.00	—1.00	245.00-242.0
Aug	245.06	—0.50	245.25-245.2
Sept	246.50	—1.50	247.75-246.5
Oct	250.00	—0.75	250.00-250.0
Nov	248.62	—1.63	—
Dec	266.00	—0.50	255.00-253.0

Turnover: 1,364 (1,405) lots of 100 tonnes.

GOLD MARKETS

Gold fell $1 an ounce from Tuesday's close in the London bullion market yesterday to finish at $382¼-383. The metal opened at $382¾-383¼ which proved to be the day's high and touched a low of $381¾-382¼.

In Paris the 12½ kilo bar was fixed at FFr 101,200 per kilo ($381.62 per ounce) in the afternoon compared with FFr 101,250 ($381.77) in the morning and FFr 101,500 ($383.71) on Tuesday afternoon.

In Frankfurt the 12½ kilo bar was fixed at DM 33,085 per kilo ($383.49 per ounce) from DM 33,170 ($385.50) and closed at $382-382½ from $383-383½.

In Zurich gold finished at $382¼-382¾ from $383¼-383¾.

In Luxembourg the dollar per ounce equivalent of the 12½ kilo bar at the fixing was $382.75 from $385.0.

LONDON FUTURES

Month	Yest'days close	+ or —	Business Done
	$ per troy ounce		
May	382.50-84.00	—	—
June	387.20-87.50	—0.35	387.50-88.10
Aug	393.70-94.30	—0.65	395.80-93.60
Oct	400.50-00.80	—0.85	—
Dec	407.50-07.90	—0.90	—
Feb	414.80-14.90	—1.05	—
April	[illegible]	—	—

Turnover: 39 (400) lots of 100 troy ounces.

	Apr. 25		Apr. 24	
Gold Bullion (fine ounce)				
Close	$382¼-383	(£271-271½)	$383¼-383¾	(£272¼-272¾)
Opening	$382¾-383¼	(£271-271½)	$383¾-384¼	(£272¼-272¾)
Morning fixing	$382.30	(£271.008)	$385.00	(£271.726)
Afternoon fixing	$382.50	(£271.251)	$382.25	(£270.944)
Gold and Platinum Coins Apr. 25				
Krugrand	$394¼-394¾	(£279-279½)	King Sov	$94¼-96 (£67-68)
½ Krug.	$204-204½	(£145-145½)	Victoria Sov	$94¼-96 (£67-68)
¼ Krug.	$105¼-105¾	(£75-75¼)	French 20s	$75-85½ (£54-58½)
1/10 Krug.	$43-43½	(£30½-30¾)	50 Pesos Mex	$476-477½ (£337¼-338½)
Mapleleaf	$394-394½	(£279-279½)	100 Cor. Aust	$370½-372¾ (£262½-264¼)
New Sov.	$90-90½	(£63½-64)	$20 Eagles	$560-590 (£394¼-416¼)
½ New Sov.	$53-55	(£37½-39)	Noble Plat	$412.50-417.25 (£292.25-295.55)

EUROPEAN MARKETS

ROTTERDAM, April 25.

Wheat—(U.S. $ per tonne): U.S. Two Soft Red Winter: May 168, June 13/July 10 155, Aug 152. U.S. Two Northern Spring 14 per cent protein: April/May 186, May 186, June 184, July 182, Aug 178, Sept 177, Oct 178, Nov 180. U.S. Three Hard Amber Durum: April/May 180, May 180, June 186, July 184, Aug 184, Sept 181, Oct 182, Nov 184. Canadian One Western Amber Durum: April/May 198, June 202, Nov 199.

Soyabeans—(U.S. $ per tonne): U.S. Two Yellow Gulfports: May 321, June 321.50, July 323.25, Aug 324.50, Sept 311, Oct 283.75, Nov 283.75, Dec 285.25, Jan 290.30, Feb 294.70.

Soyameal—(U.S. $ per tonne): 44 per cent: Afloat 222, April 223, May 223, April/Sept 227, Nov/March 229, sellers. Pellets Brazil: Afloat 223, April 232, May 227.50, May/Sept 232, sellers. Pellets Argentine: Afloat 229, May 224, May/Sept 226, sellers.

Maize — (U.S. $ per tonne): U.S. Three Yellow: April 164.50, May 161.50, June 162, July/Sept 160.50, Oct/Dec 141.50, sellers. Argentine Plate: Afloat 167, April 163, May 163, June 163, July 163, sellers.

PARIS, April 25.

Sugar—(FFr per tonne): Aug 1445/1455, Oct 1560/1565; Dec 1660/1665; March 1815/1825; May 1885/1905; Aug 1985/2000.

Cocoa—(FFr per 100 kilos): May 2201/2204.50; July 2220 bid; Sept 2276/2284; Dec 2185 bid; March 2185 bid; May 2180 bid; July 2186 bid.

BRITISH COMMODITY PRICES

BASE METALS

Copper values fell sharply on the London Metal Exchange following heavy selling in overnight U.S. markets. Forward metal opened lower at £1,078 and briefly rallied to £1,085 on short covering before retreating in the face of widespread selling pressure to close the late kerb at £1,068.5. Lead and Zinc attracted good trade support and closed at £341 and £700.5 respectively. Tin remained a firm market as buffer stock support lifted forward standard metal to £8,905.

COPPER

Amalgamated Metal Trading reported that in the morning cash Higher Grade traded at £1,058, three months £1,080, 79, 80, 79.5, 79, 77, 76, 75, 75.5, 76. Kerb: Higher Grade, three months £1,075, 75.5, 75, 74, 72, 73, 72, 71, 70.5, 70, 70.5. Afternoon: Higher Grade, three months £1,072, 71, 72, 71.5, 72, 71, 71.5, 72, 71.5, 71, 70, 69. Kerb: Higher Grade, three months £1,069, 68, 67, 66, 65, 64, 65, 65.5, 66, 65.5, 66, 66.5, 66, 65.5, 65, 64.5, 65, 65.5, 66, 65.5, 65, 66, 66.5, 67, 67.5, 68, 67, 66.5. Turnover: 51,000 tonnes. U.S. producers: 74-79 cents per pound.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —†
Higher Grde	£	£	£	£
Cash	1057.5-8	—52.5	1049-51	—54.5
3 months	1075.5-6	—51.5	1069-.5	—35
Settlem't	1058	—52.5	—	—
Cathodes				
Cash	1055-7	—54	1047-8	—56
3 months	1068-70	—51.5	1061-3	—33.5
Settlem't	1057	—55.5	—	......

TIN

Tin—Morning: Standard, cash £8,900, three months £8,880, 95, 92, 91, 92. High Grade: Cash £8,931, 30. Kerb: Standard, three months £8,895. High Grade: Three months £8,935. Afternoon: Standard, three months £8,900, 05, 10, 05, 07, 08, 08. Higher grade: Three months £8,950. Kerb: Standard, three months £8,901, 8,900. Turnover: 3,790 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —†
High Grde	£	£	£	£
Cash	8925-32	+50	8950-60	+37.5
3 months	8930-8	+52	8950-5	+55
Settlem't	8930	+50	—	—
Standard				
Cash	8890-3	+40	8900-10	+27.5
3 months	8892-5	+47	8905-8	+27.5
Settlem't	8896	+46	—	......
Straits E.	$99.10	—	—	......

LEAD

Lead—Morning: Cash £331.5, three months £338, 39, 40, 39, 38.5, 39. Kerb: Three months £338.5, 38, 38.5, 39, 39.5. Afternoon: Three months £338, 37.5, 37, 38, 38.5, 38, 37.5, 37. Kerb: Three months £338, 39, 40, 41. Turnover: 13,975 tonnes. U.S. Spot: 26-28 cents per pound.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —†
	£	£	£	£
Cash	331.5-2	—4.37	329-30	—2.5
3 months	338.5-2	—5	337-.5	—3.25
Settlem't	332	—4.25	—	......

ZINC

Zinc—Morning: Cash £698, three months £691, 92. Kerb: Three months £692, 93, 94. Afternoon: Three months £695, 96, 96.5, 96, 95.5, 95, 95, 97, 98, 99, 700. Kerb: Three months £698, 99, 700, 01. Turnover: 14,575 tonnes. U.S. Prime Western: 53-53.75 cents per pound.

ZINC	a.m. Official	+ or —	p.m. Unofficial	+ or —†
	£	£	£	£
Cash	687.0-8.0	—15.5	706-7	+2
3 months	693-.5	—2.5	699-700	+7
Settlem't	698.5	—15.5	—	......

ALUMINIUM

Aluminium — Morning: Cash £954, 54.5, three months £973, 74, 73.5, 74, 75, 75.5, 75, 74.5, 74. Kerb: Three months £975, 76, 76.5, 77. Afternoon: Three months £976, 77, 78, 77.5, 78, 77, 75.5. Kerb: Three months £976.5, 78, 77, 78, 79, 80. Turnover: 27,350 tonnes.

Alumin'm	a.m. Official	+ or —	p.m. Unofficial	+ or —†
	£	£	£	£
Spot	954-.5	—.75	955.5-6.5	—2
3 months	974-.5	—1	976.5-7	—2

NICKEL

Nickel — Morning: Three months £3,530, 26, 25. Kerb: Three months £3,525. Afternoon: Three months £3,523, 22, 20, 15, 17, 18, 17. Kerb: Three months £3,520. Turnover: 388 tonnes.

NICKEL	a.m. Official	+ or —	p.m. Unofficial	+ or —†
Spot	3443-8	—7	3438-42	—15.5
3 months	3523-5	—6.5	3518-20	—16

SILVER

Silver was fixed 5.45p an ounce higher for spot delivery in the London bullion market yesterday at 655.2p. U.S. equivalents of the fixing levels were: spot $9.245, down 13.3c; three-month $9.494, down 13.2c; six-month $9.758, down 11c; and 12-month $10.309, down 11.7c. The metal opened at 656½-659½p ($9.27-9.30) and closed at the same level.

SILVER per troy	Bullion fixing price	+ or —	L.M.E. p.m. Unoffic'l	+ or —
Spot	655.20p	—5.45	657.5p	—6.0
3 months	668.10p	—5.40	671.25p	—5.5
6 months	684.10p	—5.70	—	......
12 months	714.55p	—5.85	—	......

LME—Silver (2,000 oz contract): Cash 657.5p (662.5p); three months 671.25p (676.75p). Turnover 0 (same).

Turnover: 50 (53) lots of 10,000 ozs. Morning: Untraded. Afternoon: Large three months 671.0. Kerb: Large three months 672.0, 71.0.

COCOA

Futures moved to the recent highs today and improved £30 on the previous close before profit taking eroded much of the gains. The physical market responded to this activity and light scale up producer selling in addition to second hand products trading was the order of the day, reports Gill and Duffus.

COCOA	Yesterday's Close	+ or —	Business Done
	£ per tonne		
May	1886-81	+7.0	1810-85
July	1906-07	+12.5	1925-00
Sept	1885-87	—1.0	1905-78
Dec	1807-08	—3.0	1825-00
March	1785-92	—3.0	1805-85
May	1790-91	+15.0	1795-86
July	1780-10	+10.0	—

Sales: 7,038 (7,279) lots of 10 tonnes.

ICCO indicator prices (U.S. cents per pound). Daily prices for April 24: 117.69 (116.83); five-day average for April 25: 115.69 (114.00).

COFFEE

During a quiet morning values eased lower on mixed dealer selling, breaching previous chart support levels reports Drexel, Burnham, Lambert. Early afternoon dealings confirmed a breakout on the downside and with nearby switch trading the dominant feature of a busier session, continued to ease to close at or near the lows.

COFFEE	Yesterd'ys Close	+ or —	Business Done
May	2054-2055	—26.0	2075-54
July	2055-2058	—18.0	2072-53
Sept	2042-2044	—11.0	2054-42
Dec	2021-2029	—16.0	2033-20
January	1984-1986	—14.5	1994-83
March	1926-1930	—10.5	1936-25
May	1895-1897	—7.0	1902-97

Sales: 3,490 (2,346) lots of 5 tonnes. ICO indicator prices (U.S. cents per pound) for April 24: Comp daily 1979 143.75 (144.46); 15-day average 143.98 (143.87).

GRAINS

BUSINESS DONE—Wheat: May 127.35-6.70, July 129.85-8.45, Sept 109.00-8.70, Nov 111.80-1.65, Jan 114.75 only, March 117.65-7.55. Sales: 275 lots of 100 tonnes. Barley: May 115.75-9.50, Sept 106.90 only, March 116.30 only. Sales 142 lots of 100 tonnes.

Old crop wheat market came under heavy long liquidation losing ground throughout the day to close at lows with shipper short covering the old support. Barley followed a similar pattern without showing such velocity during trading. New crop wheat showed a little improvement on profit taking with barley very quiet and a little easier, reports Muirpace.

Mnth	WHEAT Yesterd'ys close	+ or —	BARLEY Yesterd's close	+ or —
May	126.70	—1.25	110.50	—0.50
July	128.50	—1.25	—	—
Sept	109.00	+0.25	106.90	—
Nov	111.80	+0.15	109.90	—0.10
Jan	114.90	+0.15	112.85	—
Mar	117.65	—	116.30	—0.20

LONDON GRAINS—Wheat: U.S. Dark Northern Spring No. 1 14 per cent June 141.25, July 139, Aug 136.50, sellers transhipment East Coast. English Feed fob May 129.50, seller. Maize: U.S. No. 3 Yellow/French April 147.50, sellers East Coast. Barley: English Feed fob April 125, June 127.50, Aug 108, sellers East Coast. Rest unquoted.

HGCA — Locational ex-farm spot prices: Feed barley: Scotland 122.90. The UK monetary coefficient for the week beginning Monday April 30, is expected to remain unchanged.

PIGMEAT

A lacklustre day with little change in fundamentals, saw dull trading until profit-taking and a slightly steadier average all-pig price at 108.91 (up .72) helped steady the market, reports CCST Commodities.

Month	Yesterdays close	Previous close	Business done
	p. per kilo (deadweight)		
June	117.7	117.4	117.8-117.4
Aug	114.5	114.2	114.8-114.5
Oct	118.1	118.4	118.1-118.4
Nov	110.8	118.9	118.7-119.4
Feb	117.0	118.4	117.0-118.2
April	116.0	116.4	116.8

Sales: 132 (81) lots of 50 carcases 3,250 kilos.

POTATOES

A very steady market in both old and new crops, closing at or near the highs. Fine weather caused some concern for new crop, which rose steadily all day. May showed good buying interest again, with short covering and speculative buying featuring, reports Coley and Harper.

Month	Yesterdy's close	Previous close	Business Done
	£ per tonne		
April	226.50	214.30	224.0-214.0
May	223.50	210.50	224.6-212.0
Nov	83.10	72.50	85.10-75.00
Feb	92.10	81.50	92.10-84.00
April	107.90	96.00	107.5-98.50

Sales: 1,668 (765) lots of 40 tonnes.

RUBBER

The London physical market opened about unchanged, drifted lower throughout the day and closed inactive and slightly easier, reports Lewis and Peat. The Kuala Lumpur May fob prices for RSS No 1 was 239.5 (242.5) cents a kg and for SMR 20 was 221.5 (223.0).

No. 1 R.S.S.	Yesterday's close	Previous close	Business Done
	£ per tonne		
June	725-755	730-775	—
July	—	735-775	—
Jly-Sept	760-763	768-771	762-760
Oct-Dec	794-795	802-804	794-795
Jan-Mch	816-818	824-825	816-818
Apl-Jne	837-848	844-847	—
Jly-Sept	855-865	856-878	—
Oct-Dec	872-885	870-895	—
Jan-Mch	—	—	—

Sales: 38 (11) lots of 15 tonnes, 0 (0) lots of 5 tonnes.

Physical closing prices (buyers): Spot 73.00p (74.50p); June 79.00p (79.50p); July 79.25p (79.75p).

SOYABEAN MEAL

The London Market opened £1 down in thin trade reports T. G. Roddick. The market remained quiet with further forwards continued to ease.

	Yesterday's close	+ or —	Business Done
	£ per tonne		
June	[illegible]	[illegible]	[illegible]
August	[illegible]	[illegible]	[illegible]
October	[illegible]	[illegible]	[illegible]
Dec	[illegible]	[illegible]	[illegible]
Feb	[illegible]	[illegible]	[illegible]
April	[illegible]	[illegible]	[illegible]
June	[illegible]	[illegible]	[illegible]

Sales: 41 (62) lots of 100 tonnes.

SUGAR

International Sugar Agreement—(U.S. cents per pound fob and stowed Caribbean ports). Prices for April 23: Daily price 5.84 (5.90); 15-day average 6.05 (6.10).

No. 4 Contract	Yesterday's close	Previous close	Business Done
	£ per tonne		
May	112.00-[illegible]	110.00	[illegible]

No. 6 Contract	Yesterday's close	Previous close	Business Done
May	[illegible]	[illegible]	[illegible]
Aug	[illegible]	[illegible]	[illegible]
Oct	[illegible]	[illegible]	[illegible]
Dec	[illegible]	[illegible]	[illegible]
Mar	[illegible]	[illegible]	[illegible]
May	[illegible]	[illegible]	[illegible]
Aug	[illegible]	[illegible]	[illegible]

Sales: No 4 5 (40); No 6 3,626 (1,377) lots of 50 tonnes.

Tate and Lyle delivery price for granulated basis sugar was £215.00 (£214.50) a tonne for export.

LONDON DAILY PRICE—Raw sugar £112.00 (£111.50), up £0.50 a tonne fob April-May-June delivery. White sugar $173.00 ($170.50), up $2.50.

WOOL FUTURES

SYDNEY GREASY WOOL—Close (in order: buyer, seller, business): Australian cents per kg: May 418, 425, nil; Aug 442, 445, 442; Oct 444, 446, 444; Dec 455, 457; Jan 455, 457; March 464, 470; May 474, 479; Aug 485, 490; Oct 485, 490. Sales: 7.

COTTON

Spot and shipment sales in Liverpool amounted to 115 tonnes bringing the total for the week so far to 195 tonnes. Operations were renewed on a reasonable scale and business was done in African and American type styles. Interest was also shown in Turkish and Russian qualities.

INDICES

FINANCIAL TIMES

Apr. 24	Apr. 19	M'th ago	Year ago
308.26	309.36	306.04	272.67

(Base: July 1 1952=100)

REUTERS

Apr. 25	Apr. 24	M'th ago	Year ago
2006.6	2011.3	1996.7	1767.6

(Base: September 18 1931=100)

MOODY'S

Apr. 24	Apr. 18	M'th ago	Year ago
1070.6	1074.6	1078.2	1045.7

(Base: December 31 1931=100)

DOW JONES

Dow Jones	Apr. 24	Apr. 18	Month ago	Year ago
Spot	141.36	140.90	142.28	141.50
Fut's	142.53	144.16	145.29	146.53

(Base: December 31 1974=100)

MEAT/FISH

MEAT COMMISSION — Average fatstock prices at representative markets. GB: Cattle 98.68p per kg lw (+0.21). GB: Sheep 256.54p per kg est dcw (+5.16). GB: Pigs 88.07p per kg lw (—2.44). G.B. Average all-pig price week ending April 21: 108.91p per kg.

SMITHFIELD—Pence per pound—Beef: Scotch killed sides 79.3 to 85.0; Veal: Dutch hinds and ends 118.0 to 124.0; Lamb: English small 116.0 to 125.0, medium 113.0 to 124.0, heavy 116.0 to 120.0. Imported: New Zealand PL 66.0 to 67.0; Pork: English under 100 lb 52.0 to 60.5, 100-120 lb 56.5 to 55.5, 120-160 lb 50.0 to 57.0.

ADD MEAT/FISH—P40

English Produce: Apples—per pound, Cox's 0.18-0.31, Ida Red 0.10-0.15, Bramley 0.18-0.26, Laxton 0.14-0.17. [illegible]

COVENT GARDEN — Prices for the bulk of produce, in sterling per package unless otherwise stated. Imported produce: [illegible]

AMERICAN MARKETS

Precious metals were under pressure as strength in the dollar discouraged buying interest and led to long liquidation as recent gains failed to hold. Copper fell back sharply as long liquidation on a lower than expected stock drawdown on the LME and reports of a softer tone to new car sales in the U.S. triggered massive stops. Cocoa was firm on reports of downward revisions in the Ivory Coast mid crop. Sugar continued to trade modestly lower on slack demand and long liquidation ahead of May's expiration at the end of the month. Coffee came under pressure from long liquidation as follow-through buying failed. Cotton was under pressure from large delivery notices by one prominent trade house. Heating Oil prices were strong with a positive undertone as the trade entertained the possibility of a further reduction in industry distillate stocks. The normal operating level of stocks is considered around 105m barrels, and there was a distinct possibility stocks would drop below the 100m level. Forecast of unseasonably cool temperatures for another week was also a bullish influence. Soyabeans advanced sharply on a bullish stock report but could not hold their best levels.

BECAUSE of the change in time differences between Britain and the U.S. we are unable to carry yesterday's U.S. prices in this edition.

NEW YORK

ALUMINIUM 40,000 lb, cents/lb; COCOA 10 tonnes, $/tonnes; COFFEE "C" 37,500 lb, cents/lb; COPPER 25,000 lb, cents/lb; COTTON 50,000 lb, cents/lb; CRUDE OIL (LIGHT) 42,000 U.S. gallons, cents/U.S. gallons; GOLD 100 troy oz, $/troy oz; HEATING OIL 42,000 U.S. gallons, cents/U.S. gallons; PLATINUM 50 troy oz, $/troy oz; SILVER 5,000 troy oz, cents/troy oz; SUGAR WORLD "11" 112,000 lbs, cents/lb — [illegible]

CHICAGO

LIVE CATTLE 40,000 lb, cents/lb; LIVE HOGS 30,000 lb, cents/lb; MAIZE 5,000 bu min, cents/56 lb-bushel; PORK BELLIES 38,000 lb, cents/lb; SOYABEANS 5,000 bu min, cents/60 lb-bushel; SOYABEAN MEAL 100 tons, $/ton; SOYABEAN OIL 60,000 lbs, cents/lb; WHEAT 5,000 bu min, cents/60lb-bushel — [illegible]

CURRENCIES, MONEY and CAPITAL MARKETS

FOREIGN EXCHANGES

Firm tone to dollar and pound

The dollar was little changed, after a fairly quiet day on the foreign exchanges. There was a hint of nervousness ahead of the U.S. March trade figures to be published Friday, and the market will not be surprised by another deficit in the region of February's record $10.09bn. At the same time the recent fast pace of U.S. economic growth, and expectations that interest rates will remain firm, despite an encouraging inflation rate in March, lent the dollar support. Three- and six-month Eurodollar rates eased slightly, but the Federal funds rate moved back above 10 per cent in early New York trading.

Labour unrest in Europe also helped underpin the U.S. currency, particularly after news that the West German metal-workers union is to hold strike ballots in two key regions next week.

After a firm opening on the European exchanges the dollar showed little movement until the opening of New York trading, when it retreated to finish in London unchanged against the D-mark at DM 2.6795, and slightly weaker against the French franc at FFr 8.2275 compared with FFr 8.2390. On the other hand the U.S. currency was a little firmer at SwFr 2.2170 against SwFr 2.2165 in terms of the Swiss franc, and at Y225.65 compared with Y225.45 against the Japanese yen.

The dollar's trade-weighted index, on Bank of England figures, was unchanged at 128.6.

STERLING — Trading range against the dollar in 1984 is 1.4940 to 1.3955. March average 1.4564. Trade-weighted index unchanged throughout at 79.9, compared with 83.5 six months ago.

Sterling had a firm undertone all day, but traded within a narrow range. It opened at $1.4095-1.4105, and touched a low of $1.4080-1.4090. The highest point reached during the day was $1.4130-1.4140, and the pound closed at $1.4110-1.4120, a rise of 25 points on the day. Sterling also improved to DM 3.7850 from DM 3.7775; FFr 11.61 from FFr 11.6075; SwFr 3.1325 from SwFr 3.1250; and Y318.75 from Y318.

D-MARK — Trading range against the dollar in 1984 is 2.8425 to 2.5535. March average 2.5967. Trade weighted index 125.1 against 127.1 six months ago.

The dollar was fixed higher against the D-mark at yesterday's fixing in Frankfurt at DM 2.6836. This was up from Tuesday's level of DM 2.6765 and there was no intervention by the Bundesbank. Trading was rather subdued in the absence of any economic statistics to influence the market while U.S. interest rates showed little change. Sterling was slightly higher at DM 3.7870 from DM 3.7860 as was the Swiss franc at DM 1.2111 from DM 1.2085.

BELGIAN FRANC — Trading range against the dollar in 1984 is 57.92 to 52.24. March average 53.13. Trade weighted index 90.3 against 90.7 six months ago.

There was no intervention by the Belgian central bank in currency markets in the week up to April 20 in support of the Belgian franc.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU April 25	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc	44.9008	45.5758	+1.50	+1.44	±1.5447
Danish Krone	9.14104	8.21294	+0.88	+0.82	±1.6425
German D-Mark	9.24184	2.23514	−0.30	−0.36	±1.0842
French Franc	6.87456	6.87234	−0.03	−0.09	±1.4052
Dutch Guilder	2.52595	2.52078	−0.20	−0.26	±1.4964
Irish Punt	0.72569	0.728580	+0.40	+0.34	±1.6699
Italian Lira	1403.49	1382.31	−1.51	−1.51	±4.1505

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

£ in New York

	April 25	Prev. close
Spot	$1.4110-4120	$1.4080-4090
1 month	0.25-0.28 dis	0.27-0.29 dis
3 months	0.76-0.80 dis	0.79-0.80 dis
12 months	3.20-3.35 dis	3.27-3.31 dis

£ forward rates are quoted in U.S. cents discount.

THE POUND SPOT AND FORWARD

April 25	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.4080-1.4140	1.4110-1.4120	0.25-0.30c dis	−2.33	0.75-0.80dis	−2.12
Canada	1.8025-1.8090	1.8050-1.8060	0.28-0.38c dis	−2.00	0.85-0.95dis	−1.99
Nethlnd	4.25½-4.28	4.26¼-4.27¼	1⅛-⅞c pm	2.81	3¼-2¾pm	2.81
Belgium	76.90-77.40	77.00-77.10	13-23c dis	−2.80	44-54dis	−2.54
Denmark	13.87½-13.91½	13.88-13.89	2½-3½ore dis	−2.37	5¾-6½dis	−1.69
Ireland	1.2310-1.2380	1.2340-1.2350	0.37-0.45p dis	−3.93	1.07-1.20dis	−3.87
W. Ger	3.77¼-3.79¼	3.78-3.79	1⅛-⅞pf pm	2.17	3¼-2⅞pm	3.03
Portugal	191.00-192.75	191.50-192.00	120-325c dis	−13.92	410-1080dis	−10.54
Spain	213.00-214.00	213.55-213.75	125-150c dis	−7.72	420-1080dis	−14.04
Italy	2332-2340	2333-2335	12½-14½lire dis	−5.00	39-41dis	−6.00
Norway	10.79-10.82½	10.80½-10.81½	3⅞-4½ore dis	−4.60	11¼-12½dis	−4.39
France	11.60-11.64	11.60½-11.61½	3¾-4¼c dis	−8.89	10½-12½dis	−3.96
Sweden	11.15-11.19	11.17½-11.18½	1⅝-2¾ore dis	−2.41	5⅞-6½dis	−2.12
Japan	317-319½	318¼-319¼	⅞-½y pm	2.00	2¼-1⅞pm	2.00
Austria	26.55-26.70	26.58-26.63	5¾-3½gro pm	1.87	16-12pm	2.10
Switz	3.12-3.14½	3.12¾-3.13¾	1⅝-1¼c pm	0.24	4-3½pm	4.78

Belgian rate is for convertible francs. Financial franc 77.06-77.11. Six-month forward dollar 1.55-1.60c dis. 12-month 3.20-3.30.

THE DOLLAR SPOT AND FORWARD

April 25	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.4080-1.4140	1.4110-1.4120	0.25-0.30c dis	−2.33	0.75-0.80	−2.15
Ireland†	1.1424-1.1460	1.1441-1.1448	0.19-0.15c pm	1.78	0.47-0.39pm	1.50
Canada	1.2794-1.2800	1.2794-1.2799	0.06-0.01c pm	0.33	0.10-0.05pm	0.23
Nethlnd	3.0210-3.0275	3.0215-3.0225	1.35-1.30c pm	0.25	3.80-3.75pm	4.99
Belgium	54.58-54.76	54.59-54.61	2.5-4.0c dis	−0.71	4-6dis	−0.37
Denmark	9.8345-9.8575	9.8350-9.8400	0.15orepm-0.65dis	−0.12	1.50-1.00pm	0.50
W. Ger	2.6745-2.6865	2.6790-2.6800	1.25-1.20pf pm	0.49	3.55-3.50pm	5.26
Portugal	135.80-136.30	135.80-136.30	60-200c dis	−11.47	220-600dis	−12.05
Spain	151.27-151.45	151.35-151.45	65-75c dis	−5.56	225-255dis	−5.35
Italy	1653-1659	1653½-1654½	6.3-6.8lire dis	−4.74	19-20dis	−4.70
Norway	7.6430-7.6675	7.6550-7.6600	1.35-1.85ore dis	−2.51	3.90-4.40dis	−2.17
France	8.2225-8.2675	8.2250-8.2300	1.00-1.20c dis	−1.60	3.80-4.20dis	−1.94
Sweden	7.9130-7.9275	7.9200-7.9250	0.2ore pm-0.3dis	−0.37	0.4pm-0.1pm	−0.07
Japan	225-225.80	225.60-225.70	0.99-0.95y pm	5.10	2.71-2.66pm	4.76
Austria	18.84-18.89	18.88-18.89	7.25-6.75gro pm	4.48	21.25-19.25pm	4.30
Switz.	2.21-2.2185	2.2165-2.2175	1.41-1.37c pm	7.54	3.91-3.87pm	7.03

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency. Belgian rate is for convertible francs. Financial franc 55.60-55.65.

OTHER CURRENCIES

Apr. 25	£	$		£ Note Rates
Argentina Peso	01.55-01.64	30.51-30.54	Austria	25.50-26.80
Australia Dollar	1.5350-1.5370	1.0871-1.0878	Belgium	78.00-78.80
Brazil Cruzeiro	1,988.09-1,988.40	1,408-1,415	Denmark	15.85-13.99
Finland Markka	8.0321-8.0518	0.700-5.750	France	11.09-11.71
Greek Drachma	147.57-151.31	105.90-106.80	Germany	3.76¾-3.80¾
Hong Kong Dollar	11.025-11.029	7.8095-7.8115	Italy	2310-2340
Iran Rial	123.60*	87.10*	Japan	316-321
Kuwait Dinar(KD)	0.41635-0.41686	0.2948-0.2950	Netherlands	4.29¼-4.29¼
Luxembourg Fr.	77.00-77.10	54.59-54.61	Norway	10.77-10.88
Malaysia Dollar	3.228-3.234	2.2870-2.2885	Portugal	188-190
New Zealand Dlr.	2.1470-2.1520	1.5605-1.5230	Spain	207-217
Saudi Arab. Riyal	4.9705-4.9740	3.5205-3.5215	Sweden	11.13-11.24
Singapore Dollar	2.9415-2.9475	2.0840-2.0855	Switzerland	3.11¼-3.14¼
Sth African Rand	1.7646-1.7680	1.2512-1.2507	United States	1.40-1.42
U.A.E. Dirham	5.1845-5.1900	3.6720-3.6730	Yugoslavia	188-198

* Selling rates.

CURRENCY MOVEMENTS

Apr. 25	Bank of England Index	Morgan Guaranty Changes%
Sterling	79.9	−11.0
U.S. dollar	128.6	+17.2
Canadian dollar	89.1	−2.4
Austrian schilling	110.1	+3.8
Belgian franc	90.3	−10.9
Danish kroner	78.8	−6.9
Deutsche mark	126.1	+8.2
Swiss franc	147.0	+11.1
Guilder	110.2	+4.4
French franc	66.0	−15.0
Lira	48.6	−12.7
Yen	150.8	+10.0

Morgan Guaranty changes: average 1980-1982=100. Bank of England index (base average 1975=100).

CURRENCY RATES

April 25	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling	—	0.745937	0.591829
U.S. $	9	1.05207	0.834825
Canadian $	10.62	*	1.08747
Austria Sch	4½	19.8704	10.7335
Belgian Fr	11	57.0650	45.0758
Danish Kr	7	10.3700	8.21294
D'mark	4	2.82334	2.23514
Guilder	5	3.18409	2.52078
French Fr	9½	8.07747	6.87234
Lira	10	—	1382.51
Yen	5	237.347	187.851
Norwgn Kr	8	8.06936	6.38700
Spanish Pta	—	108.278	126.302
Swedish Kr	8½	8.33555	6.08121
Swiss Fr	4	2.33228	1.84572
Greek Dr'ch	20½	111.704	88.3861

*C$/SDR rate for April 23: 1.35155.

EXCHANGE CROSS RATES

Apr. 25	Pound St'rling	U.S. Dollar	Deutsche m'k	Japanese Yen	French Franc	Swiss Franc	Dutch Guild	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	1.412	3.785	318.8	11.61	3.133	4.266	2334.	1.806	77.06
U.S. Dollar	0.708	1.	2.682	225.8	8.225	2.219	3.023	1654.	1.279	54.59
Deutschemark	0.264	0.373	1.	84.21	3.067	0.828	1.127	616.0	0.477	20.30
Japanese Yen 1,000	3.137	4.429	11.87	1000.	36.42	9.827	13.38	7322.	5.664	241.7
French Franc 10	0.861	1.216	3.260	274.0	10.	2.698	3.676	2010.	1.008	66.37
Swiss Franc	0.319	0.451	1.208	101.8	3.706	1.	1.362	745.1	0.576	24.60
Dutch Guilder	0.234	0.331	0.887	74.68	2.721	0.734	1.	546.9	0.423	18.06
Italian Lira 1,000	0.428	0.605	1.622	136.6	4.974	1.343	1.828	1000	0.774	33.01
Canadian Dollar	0.554	0.782	2.096	176.5	6.430	1.735	2.364	1293.	1.	42.68
Belgian Franc 100	1.298	1.832	4.912	413.7	15.07	4.066	5.539	3029.	2.343	100.

EURO-CURRENCY INTEREST RATES (Market closing rates)

Apr. 25	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	D-mark	French Franc	Italian Lira	Belgian Franc Conv.	Belgian Franc Fin.	Yen	Danish Kroner
Short term	8⅛-8¼	10-10¼	9½-9⅞	5¾-6⅛	1-1⅛	5⅜-5⅝	11¾-19	14¾-15¾	11¾-12¼	11¾-12¼	6-6⅛	13⅝-13⅞
7 days' notice	8⅛-8⅜	10⅜-10⅝	10-10¼	5⅞-6⅛	3¼-3⅝	5⅛-5⅜	11⅞-12⅛	13¼-14½	11½-12	11⅝-11⅞	6-6⅛	11⅛-11⅝
Month	8⅝-8¾	10⅛-10¾	10⅛-10⅜	5¾-5⅞	3⅛-3¾	5⅜-5⅝	12⅛-12⅜	14⅝-16⅛	11¼-11¾	11⅜-11⅝	5⅞-6⅛	10½-11
Three months	8⅝-8⅞	10⅞-11⅛	10⅜-10¾	6-6⅛	3⅝-3⅞	5⅝-5⅞	12⅞-13⅛	15⅝-16⅞	11¾-11¾	11¼-11½	6⅛-6⅜	10⅝-11⅛
Six months	9⅛-9¼	11⅛-11⅜	10⅞-11⅛	6⅛-6¼	3⅞-4⅛	5⅞-6⅛	14⅛-14⅜	16⅛-16⅞	11½-12	11¼-11½	6¼-6⅜	10⅝-11⅛
One year	8⅝-9½	11⅞-11⅞	11⅛-11⅞	6½-6⅝	4⅛-4⅜	6⅛-6¼	14⅝-15	16⅞-17⅞	11¾-12¼	11⅜-11⅝	6⅝-6⅞	11¼-11¾

Asian $ (closing rates in Singapore): Short-term 10¾-10⅞ per cent; seven days 10½-10⅝ per cent; one month 10 9/16-10 11/16 per cent; three months 10⅞-11 per cent; six months 11⅛-11¼ per cent; one year 11 7/16-11 9/16 per cent. Long-term Eurodollars two years 12¼-12⅜ per cent; three years 12¾-13 per cent; four years 12⅞-13⅛ per cent; five years 13-13¼ per cent nominal closing rates. Short-term rates are call for U.S. dollars and Japanese yen; others two days' notice.

FINANCIAL FUTURES

Low volume

Trading was extremely quiet in the London International Financial Futures Exchange yesterday. The volume of contracts traded remained relatively low as activity failed to pick up after the long Easter break. Gilt prices opened a little firmer, following a stronger trend in U.S. bond markets overnight and a low Federal funds rate. There may also have been some late reaction to the 0.2 per cent rise in U.S. consumer prices.

Prices in London were marked up in early trading but soon stabilised and traded in a very narrow range for the rest of the day. The June price opened at 107-03 up from 106-25 on Tuesday and touched a best level of 107-10 before finishing at 107-06.

There were a number of short lived attempts to push values weaker after the opening of U.S. centres, but prices finished close to the day's highs.

Euro-dollar contracts were also firmer at the opening in the absence of any strong upward move in U.S. interest rates. Prices came back a little after the opening of U.S. centres, prompted to some extent by a slightly higher Federal funds rate after Tuesday's softer tone. Values finished at the day's low but were still slightly up from Tuesday. The June price opened at 88.92 and touched a best level of 88.94 before coming back to finish at the day's low of 88.89, still up from Tuesday's close of 88.88.

Short sterling contracts traded within a very narrow range, reflecting a total lack of incentive to push values in either direction. The June price traded in a three point range of 90.99 to 91.02 and closed at 91.00, compared with 90.97 on Tuesday.

LONDON

THREE-MONTH EURODOLLAR $1m points of 100%

	Close	High	Low	Prev
June	88.89	88.94	88.89	88.88
Sept	88.34	88.38	88.33	88.33
Dec	87.82	87.87	87.81	87.80
March	87.55	87.62	87.54	87.56
June	—	—	—	87.24

Volume 2,756 (3,133)

THREE-MONTH STERLING DEPOSIT £250,000 points of 100%

	Close	High	Low	Prev
June	91.00	91.02	90.99	90.97
Sept	90.64	90.67	90.63	90.60
Dec	90.32	90.38	90.32	90.33
March*	90.05	90.11	90.00	90.05
June*	—	—	—	—

Volume 654 (454)
Previous day's open int 5,534 (5,582)
*£500,000 points of 100%

20-YEAR 12% NOTIONAL GILT £50,000 32nds of 100%

	Close	High	Low	Prev
June	107-06	107-10	107-02	106-25
Sept	106-20	106-18	106-13	106-05
Dec	—	—	—	105-17
March	105-12	106-12	105-12	104-29
June	104-24	106-24	104-24	104-09

Volume 1,687 (1,339)
Previous day's open int 5,086 (5,789)
Basis quote (clean cash price of 13¼% Treasury 2003 less equivalent price of near futures contract) 22 to 24 (32nds)

STERLING £25,000 $ per £

	Close	High	Low	Prev
June	1.4160	1.4163	1.4137	1.4140
Sept	1.4240	1.4255	1.4255	1.4205
Dec	—	—	—	1.4285

Volume 36 (290)
Previous day's open int 2,037 (2,314)

DEUTSCHE MARKS DM 125,000 $ per DM

	Close	High	Low	Prev
June	0.3763	0.3760	0.3748	0.3753
Sept	—	—	—	—

Volume 42 (98)
Previous day's open int 214 (524)

SWISS FRANCS SwFr 125,000 $ per SwFr

	Close	High	Low	Prev
June	0.4557	0.4660	0.4553	0.4550
Sept	—	—	—	—

Volume 50 (5)
Previous day's open int 214 (214)

JAPANESE YEN Y12.5m $ per Y100

	Close	High	Low	Prev
June	0.4458	0.4469	0.4460	0.4452
Sept	—	—	—	0.4518

Volume 8 (12)
Previous day's open int 465 (477)

CHICAGO

U.S. TREASURY BONDS (CBT) 8% $100,000 32nds of 100%

	Latest	High	Low	Prev
June	[illegible]	[illegible]	[illegible]	65-08
Sept	[illegible]	[illegible]	[illegible]	64-22
Dec	[illegible]	[illegible]	[illegible]	64-08
March	[illegible]	[illegible]	[illegible]	63-28
June	[illegible]	[illegible]	[illegible]	63-18
Sept	[illegible]	[illegible]	[illegible]	63-09
Dec	[illegible]	[illegible]	[illegible]	63-01
March	[illegible]	[illegible]	[illegible]	62-27

U.S. TREASURY BILLS (IMM) $1m points of 100%

	Latest	High	Low	Prev
June	[illegible]	[illegible]	[illegible]	90.12
Sept	[illegible]	[illegible]	[illegible]	89.56
Dec	[illegible]	[illegible]	[illegible]	89.10
March	[illegible]	[illegible]	[illegible]	88.85
June	[illegible]	[illegible]	[illegible]	88.59
Sept	[illegible]	[illegible]	[illegible]	88.36
Dec	[illegible]	[illegible]	[illegible]	88.15
March	[illegible]	[illegible]	[illegible]	87.95

CERT. DEPOSIT (IMM) $1m points of 100%

	Latest	High	Low	Prev
June	[illegible]	[illegible]	[illegible]	88.01
Sept	[illegible]	[illegible]	[illegible]	88.43
Dec	[illegible]	[illegible]	[illegible]	87.96
March	[illegible]	[illegible]	[illegible]	87.58

THREE-MONTH EURODOLLAR (IMM) $1m points of 100%

	Latest	High	Low	Prev
June	[illegible]	[illegible]	[illegible]	88.59
Sept	[illegible]	[illegible]	[illegible]	88.00
Dec	[illegible]	[illegible]	[illegible]	87.54
March	[illegible]	[illegible]	[illegible]	87.17
June	[illegible]	[illegible]	[illegible]	86.82

STERLING (IMM) $ per £

	Latest	High	Low	Prev
June	[illegible]	[illegible]	[illegible]	1.4115
Sept	[illegible]	[illegible]	[illegible]	1.4190
Dec	[illegible]	[illegible]	[illegible]	1.4270
March	[illegible]	[illegible]	[illegible]	1.4350

GNMA (CBT) 8% $100,000 32nds of 100%

	Latest	High	Low	Prev
June	[illegible]	[illegible]	[illegible]	67-06
Sept	[illegible]	[illegible]	[illegible]	66-11
Dec	[illegible]	[illegible]	[illegible]	65-17
March	[illegible]	[illegible]	[illegible]	64-28
June	[illegible]	[illegible]	[illegible]	64-11
Sept	[illegible]	[illegible]	[illegible]	63-28
Dec	[illegible]	[illegible]	[illegible]	63-16

MONEY MARKETS

Some longer term UK rates ease

Interest rates had a slightly softer tone at the longer end of the London money market yesterday, but there was little change overall. Sentiment was helped by the continued strength of the pound on the foreign exchanges, despite continued nervousness about the miner's strike, and by the recent low level of the Federal funds overnight rate in New York. Federal funds moved up to around 10¾ per cent in early trading yesterday however, after finishing at 8¾ per cent on Tuesday, prompting an injection of liquidity from the Federal Reserve.

UK clearing banks' base lending rate 8½-8¾ per cent (since March 15 and 16)

In London discount houses buying rates for six-month bank and trade bills eased by 1/32 per cent, but buying rates for three month bank bills were unchanged at 8 11/16 per cent. Three-month interbank was also unchanged at 8¾ per cent.

The Bank of England forecast a large money market shortage of £650m, and offered an early round of assistance, although the shortage was revised to £550m at noon, and to £500m in the afternoon.

Total help provided by the authorities was £452m, including the early assistance of £307m, mainly through purchases of band 4 bank bills.

Major factors all operated against the market, and consisted of bills maturing in official hands, repayment of late assistance and a take-up of Treasury bills from last week's tender draining £257m; while Exchequer transactions absorbed £315m; a rise in the note circulation £5m; and bank balances below target another £35m.

The early round of help was made up of £5m bank bills in band 2 (15-33 days maturity) at 8[illegible] per cent; £6m bank bills in band 3 (34-63 days) at 8[illegible] per cent; and £296m bank bills in band 4 (64-91 days) at 8[illegible] per cent.

Before lunch the Bank of England bought another £53m bills by way of £7m bank bills in band 2 at 8[illegible] per cent, and £46m bank bills in band 4 at 8[illegible] per cent.

In the afternoon a further £92m bills were purchased through £2m local authority bills in band 1 (up to 14 days) at 8[illegible] per cent; £1m Treasury bills in band 3 at 8[illegible] per cent; £3m bank bills in band 3 at 8[illegible] per cent; £12m Treasury bills in band 4 at 8[illegible] per cent; and £74m bank bills in band 4 at 8[illegible] per cent.

MONEY RATES

Apr. 25	Frankfurt	Paris	Zurich	Amst'dam	Tokyo	Milan	Brussels	Dublin
Overnight	5.50	11⅞	[illegible]	[illegible]	5.71875	16½-17¼	11.70	12-12¼
One month	[illegible]	[illegible]	[illegible]	[illegible]	6.09375	[illegible]	[illegible]	[illegible]
Two months	[illegible]	[illegible]	[illegible]	[illegible]	—	—	[illegible]	[illegible]
Three months	[illegible]	[illegible]	[illegible]	[illegible]	6.21875	[illegible]	[illegible]	[illegible]
Six months	[illegible]	[illegible]	[illegible]	[illegible]	—	—	[illegible]	[illegible]
Lombard	5.50	—	—	[illegible]	—	—	—	—
Intervention	—	12	—	—	—	—	—	—

FT LONDON INTERBANK FIXING

LONDON INTERBANK FIXING (11.00 a.m. April 25)

3 months U.S. dollars	
bid 10 7/8	offer 11

6 months U.S. dollars	
bid 11 1/8	offer 11 1/4

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 a.m. each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

LONDON MONEY RATES — Discount Houses Deposit and Bill Rates

Apr. 25 1984	Sterling Certificate of deposit	Interbank	Local Authority deposits	Company Deposits	Market Deposits	Treasury (Buy)	Treasury (Sell)	Eligible Bank (Buy)	Eligible Bank (Sell)	Fine Trade (Buy)
Overnight	—	[illegible]	[illegible]	[illegible]	[illegible]	—	—	—	—	—
2 days notice	—	—	[illegible]	—	—	—	—	—	—	—
7 days or	—	—	[illegible]	—	—	—	—	—	—	—
7 day notice	—	[illegible]	—	[illegible]	[illegible]	—	—	—	—	—
One month	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Two months	[illegible]	[illegible]	[illegible]	[illegible]	—	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Three months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Six months	[illegible]	[illegible]	[illegible]	[illegible]	—	—	—	[illegible]	[illegible]	[illegible]
Nine months	[illegible]	[illegible]	[illegible]	—	—	—	—	—	—	—
One year	[illegible]	[illegible]	[illegible]	—	—	—	—	—	—	—

	Local Auth. negotiable bonds	Local Authority Deposits	Finance House Deposits	$ Cert of Deposits	SDR Linked Deposits	ECU Linked Deposits
One month	[illegible]	—	[illegible]	[illegible]	[illegible]	[illegible]
Two months	[illegible]	—	[illegible]	[illegible]	—	—
Three months	[illegible]	—	[illegible]	[illegible]	[illegible]	[illegible]
Six months	[illegible]	—	[illegible]	[illegible]	[illegible]	[illegible]
Nine months	[illegible]	—	[illegible]	[illegible]	—	—
One year	[illegible]	—	[illegible]	[illegible]	[illegible]	[illegible]
Two years	—	[illegible]	—	—	—	—
Three years	—	[illegible]	—	—	—	—
Four years	—	[illegible]	—	—	—	—
Five years	—	[illegible]	—	—	—	—

ECGD Fixed Rate Export Finance Scheme IV. Average Rate of interest period March 7 to April 3 1984 (inclusive): 8.975 per cent. Local authorities and finance houses seven days' notice, others seven days' fixed. Finance Houses Base Rate (published by the Finance Houses Association): 9½ per cent from April 1, 1984. London and Scottish Clearing Bank Rates for lending 8½-8¾ per cent. London Deposit Rate for sums at seven days' notice 5¾-5½ per cent. Treasury Bills: Average tender rates of discount 8.3900 per cent. Certificates of Tax Deposit (Series 6). Deposit of £100,000 and over held under one month 8¾ per cent; one-three months 8¾ per cent; three-six months 9 per cent; six-nine months 9¼ per cent; nine-12 months 9½ per cent. Under £100,000 8½ per cent from April 11. Deposits held under Series 4-5 9½ per cent. The rate for all deposits withdrawn for cash 7 per cent.

MONEY RATES — NEW YORK (Lunchtime)

Prime rate	12
Broker loan rate	[illegible]
Fed funds	[illegible]
Fed funds at intervention	[illegible]

Treasury Bills

One month	9.10
Two month	9.35
Three month	9.63
Six month	9.75
One year	9.97

Treasury Bonds

Two year	[illegible]
Three year	[illegible]
Four year	[illegible]
Five year	[illegible]
Seven year	[illegible]
10 year	[illegible]
30 year	[illegible]

Legal Notices

IN THE MATTER OF J. B. EDWARDS & CO. HOLDINGS AND IN THE MATTER OF THE COMPANIES ACT 1948

NOTICE IS HEREBY GIVEN that the creditors of the above-named Company, which is being voluntarily wound up, are required, on or before the 1st day of June, 1984, to send in their full Christian and surnames, their addresses and descriptions, full particulars of their debts or claims, and the names and addresses of their Solicitors (if any), to the undersigned Anthony Raymond Houghton of Touche Ross & Co., Hill House, PO Box 137, 1 Little New Street, London, EC4, the Liquidator of the said Company, and, if so required by notice in writing from the said Liquidator, are, personally or by their Solicitors, to come in and prove their debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved.

Dated this 17th day of April, 1984.
A. R. HOUGHTON,
Joint Liquidator.

IN THE MATTER OF J. B. EDWARDS & CO. (WHYTELEAFE) LIMITED AND IN THE MATTER OF THE COMPANIES ACT 1948

NOTICE IS HEREBY GIVEN that the creditors of the above-named Company, which is being voluntarily wound up, are required, on or before the 1st day of June, 1984, to send in their full Christian and surnames, their addresses and descriptions, full particulars of their debts or claims, and the names and addresses of their Solicitors (if any), to the undersigned Anthony Raymond Houghton of Touche Ross & Co., Hill House, PO Box 137, 1 Little New Street, London, EC4, the Liquidator of the said Company, and, if so required by notice in writing from the said Liquidator, are, personally or by their Solicitors, to come in and prove their debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved.

Dated this 17th day of April, 1984.
A. R. HOUGHTON,
Joint Liquidator.

VONTOBEL EUROBONDINDIZES

WEIGHTED AVERAGE YIELDS PER 24 APRIL 1984

	Today	INDEX Last week	% Year's High	Year's Low
US$ Eurobonds	12 48	12 35	12 51	11 52
DM (Foreign Bond Issues)	7 37	7 34	7.46	7.14
HFL (Bearer Notes)	7 61	7 64	8 11	7.59
Can$ Eurobonds	13 54	13 61	13.91	12 60

Bank J. Vontobel & Co Ltd, Zurich - Tel: 010 411 488 7111

NOTICE OF EARLY REDEMPTION

The Tokai Bank, Limited
(Incorporated with limited liability in Japan)

US$20,000,000
Callable Negotiable Floating Rate London Dollar Certificates of Deposit
Series AO Certificate No. 003301-003320 issued on 10th June, 1982
Maturity Date 12th June, 1985 Callable in June, 1984.

Notice is hereby given that in accordance with Clause 3 of the Certificates of Deposit (the "Certificates").

The Tokai Bank, Limited ("the Bank") will prepay all outstanding Certificates on 12th June, 1984 (the "Prepayment Date"), at their principal amount.

Payment of the principal amount, together with accrued interest to the Prepayment Date, will be made on the Prepayment Date against presentation and surrender of the Certificates at the London Branch of the Bank.

Interest will cease to accrue on the Certificates on the Prepayment Date.

The Tokai Bank, Limited
London Branch
P. & O. Building, Leadenhall Street, London EC3V 4RD

20th April 1984

INTERNATIONAL CAPITAL MARKETS

Four bonds launched in weak market

By Mary Ann Sieghart in London

AN IMPROVEMENT in the New York market on Tuesday night opened a small window for Eurodollar new issues yesterday. Three fixed-rate bonds and one floating rate note were launched, but market demand was weak.

Creditanstalt Bankverein is raising $100m through a seven-year bond, the proceeds of which will be swapped for floating rate debt. The issue has a 13¼ per cent coupon at a price of 99¾ and is led by Chase Manhattan with European Banking Company, Manufacturers Hanover, Merrill Lynch, Morgan Stanley and S. G. Warburg. It traded at a 1⅞ per cent discount, outside the selling concession, but within the total fees.

Also swap-related was a $70m bond for Japan Air Lines, guaranteed by Japan itself. As "Japan Inc." paper tends to be popular, particularly in the Far East, the coupon was set at 12½ per cent for 10 years with a price of 99¾. Led by Bankers Trust International and IBJ International, the issue traded just outside its 1½ per cent selling concession.

Florida Federal Savings launched a $100m bond on the same lines as the recent American Savings issues. But, reflecting the deterioration in the market, the coupon, at 12¾ per cent, is ½ per cent higher. The bond has a five-year life and a price of par and is 150 per cent backed by U.S. Treasury or government agency securities. Lead managers are Salomon Brothers, Banque Nationale de Paris and Kidder Peabody and the issue traded slowly at a 1½ to 1¾ per cent discount.

Taiyo Kobe Bank produced the fourth dollar issue – a $100m floating rate note with a final maturity of 20 years but with put options for investors after eight, 10, 12 and 15 years.

Led by Credit Suisse First Boston with the borrower itself and Salomon Brothers, it pays ⅛ per cent over the mean of the six-month London interbank bid and offered rates at par. It traded at a discount equal to its ¾ per cent front-end fees.

Encouraged by the pick-up in New York, the dollar secondary market saw price gains of around ¼ point on the day but trading was mainly professional.

In Germany, Gould, the U.S. electronics company, is raising DM 100m through a seven-year bond with a 7¾ per cent coupon at par. Led by Commerzbank, the issue traded at a small 1 per cent discount.

Japan Inc. was also in evidence in the Swiss franc market with a SwFr 150m public issue for Japan Highway. It has an eight-year life with an indicated yield of 5⅝ per cent and will be priced by lead manager UBS on Tuesday.

The strength of the dollar cancelled out any optimism from New York to leave prices unchanged in both Germany and Switzerland.

BHF Bank bond average		
April 25		Previous
99.558		99.583
High	1984	Low
100.009		98.056

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. The following are closing prices for April 25.

* No information available previous day's price.
† Only one market maker supplied a price.

Straight Bonds: The yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week – Change over price a week earlier.

Floating Rate Notes: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C. date – Date next coupon becomes effective. Spread – Margin above six-month offered rate (†† three month; § above mean rate) for U.S. dollars. C.cpn. – current coupon. Cu. yld – current yield.

Convertible bonds: Denominated in dollars unless otherwise indicated. Chg day – Change on day. Cnv. date – First date for conversion into shares. Cnv. price – Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem – Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

OVER-THE-COUNTER

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